

7. This salt water disposal easement is made subject to all the provisions and requirements applicable thereto which are to be found in various acts of the legislature of New Mexico and the rules of the Commissioner of Public Lands of the State of New Mexico, the same as though they were fully set forth herein, and said laws and rules, so far as applicable to this salt water disposal easement, are to be taken as a part hereof.

8. All the obligations, covenants, agreements, rights and privileges of this salt water disposal easement shall extend to and be binding and inure to the benefit of the lawful and recognized assigns or successors in interest of the parties hereto.

9. Grantee shall post with grantor a bond or undertaking in an amount required by grantor in favor of the owner of improvements lawfully located upon the lands herein to secure payment of damage, if any, done to such improvements by reason of grantee's operations.

10. Payment of all sums due hereunder shall be made at the office of the Commissioner of Public Lands, 310 Old Santa Fe Trail, P. O. Box 1148, Santa Fe, New Mexico 87504-1148.

11. Grantee, including his heirs, assigns, agents, and contractors shall at their own expense fully comply with all laws, regulations, rules, ordinances, and requirements of the city, county, state, federal authorities and agencies, in all matters and things affecting the premises and operations thereon which may be enacted or promulgated under the governmental police powers pertaining to public health and welfare, including but not limited to conservation, sanitation, aesthetics, pollution, cultural properties, fire, and ecology. Such agencies are not to be deemed third party beneficiaries hereunder; however, this clause is enforceable by the grantor as herein provided or as otherwise permitted by law.

12. Grantee shall save and hold harmless, indemnify and defend the State of New Mexico, the Commissioner of Public Lands, and his agent or agents, in their official and individual capacities, of and from any and all liability claims, losses, or damages arising out of or alleged to arise out of or indirectly connected with the operations of grantee hereunder, off or on the hereinabove described lands, or the presence on said lands of any agent, contractor or sub-contractor of grantee.

IN WITNESS WHEREOF, the State of New Mexico has hereunto signed and caused its name to be signed by its Commissioner of Public Lands, thereunto duly authorized with the seal of his office affixed, and the grantee has signed this agreement to be effective the day and year above written.

STATE OF NEW MEXICO

BY: Jeri Baca
COMMISSIONER OF PUBLIC LANDS

WAGNER & BROWN

BY: Jack E. Brown
GRANTEE

STATE OF _____)
COUNTY OF _____) ss.

(PERSONAL ACKNOWLEDGMENT)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____, by _____

STATE OF _____)
COUNTY OF _____) ss.

(ACKNOWLEDGMENT BY ATTORNEY-IN-FACT)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____, as attorney-in-fact on behalf of _____

STATE OF TEXAS)
COUNTY OF MIDLAND) ss.

(ACKNOWLEDGMENT BY ~~CORPORATION~~ ^{PARTNERSHIP})

The foregoing instrument was acknowledged before me this 12 day of DECEMBER, 19 83, by JACK E. BROWN, PARTNER
(NAME) (TITLE)

of WAGNER & BROWN
~~X CORPORATION~~
(PARTNERSHIP)

My Commission Expires: 7/03/85

Paula J. Hansard
NOTARY PUBLIC
PAULA J. HANSARD