JN. Resources Company



6506 S. Lewis, Suite 162 Tulsa, OK 74136 (918) 749-WELL

July 28, 1987

Nicholas T. O'Neill JNC RESOURCES COMPANY 6506 South Lewis Suite 162 Tulsa, Oklahoma 74136

> Re: Release and Waiver of Surface Damages

Dear Mr. O'Neill:

I hereby release JNC RESOURCES COMPANY from any claims of surface damage on the JNC RESOURCES #2 Johnson Well located on State Lease No. V-466 in the SW/4 of Section 23, T10N, R28E in Quay County, N.M. I am satisfied that JNC RESOURCES has restored the area as agreed as in the surface damage agreement by and between JNC RESOURCES COMPANY and Keith Dee Johnson dated 12/01/86.

Very truly yours,

Keith Dee Johnson Surface Owner Section 23,

T10N, R28E, Quay Co., N.M.

Keith Dee Johnson

State Lease No. V-466

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