

December 5, 1986

Nicholas T. O'Neill
JNC Resources Company
2620 East 36th Street
Tulsa Oklahoma 74105

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 #1 Johnson well location located in the SE of the NE of Sec. 26, T10N: R28E in Quay County, N.M. I am satisfied that JNC Resources will restore the area as agreed as in the surface damage agreement by and between JNC Resources Company and Keith Dee Johnson. It is my understanding that JNC Resources Company will pay me \$500.00 for the cow and calf that died as a result of drinking caustic water from the pit before it was fenced. It is my desire that another well be drilled nearby as soon as possible and I will cooperate to that end.

Very truly Yours:

Keith Dee Johnson

Keith Dee Johnson
Surface Owner Sec. 26,
T 10 N: R 28 E.