

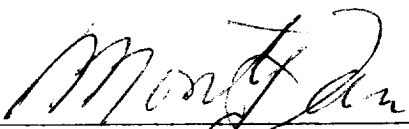
DAMAGE RELEASE

KNOW ALL MEN BY THESE PRESENTS THAT:

I, Monty Farr, the undersigned, do hereby release, acquit and forever discharge Mickey Blackwell, hereinafter referred to as "Operator", its employees, agents and contractors, from any and all losses, liabilities, claims, damages, demands and causes of action for any and all injuries and damage to the surface of the tract of land hereinbelow described and to the appurtenances and improvements thereon as well as for any and all injuries and damages to, including the death of, the livestock and/or wildlife thereon and for any and all damages to and/or loss of the trees, crops and vegetation owned and/or being cultivated on said tract of land by the undersigned, their respective employees and/or tenants, arising directly or indirectly in connection with the operations of Operator, its employees, agents and contractors in getting to the location of and in preparing the drillsite for and in drilling the Farr well, said tract of land being more particularly described as follows, to-wit:

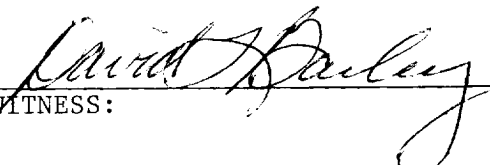
Section 6, Township 31N, Range 34E
County of Union, State of New Mexico

I, the undersigned, do hereby agree to protect, indemnify and save Operator, its employees, agents and contractors free and harmless from any and all of the above-mentioned losses, claims, damages, demands and causes of action arising directly or indirectly in connection with the above mentioned operations and to relieve Operator, its employees, agents and contractors from any and all liability incurred directly or indirectly as a result of such operations.



Monty Farr - Farr Cattle Co., Inc.

11-15-73



WITNESS:

MICKEY BLACKWELL, INC.

Rt. 2 Box 173 Tulia, Texas 79088 (806) 627-4223

November 15, 1983

Energy and Minerals Department
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

Re: Farr Well No.2
B-6 31N-34E
Union Co. N.M.

Dear Mr. Ulvog:

We have plugged the Farr well according to your recommendations. Enclosed is a Damage Release signed by Mr. Farr.

We need a plugging report so we can cancel the plugging bond.

Thank you for your cooperation in this matter.

Sincerely,



Mickey Blackwell
MB/vyb