

AMAX CHEMICAL CORPORATION

A Subsidiary of AMAX INC.

P. O. BOX 279 CARLSBAD, NEW MEXICO 88220 (505) 888-3187

October 13, 1983

Mr. M. B. Myers
Great Western Drilling Company
P. O. Box 1659
Midland, Texas 79702

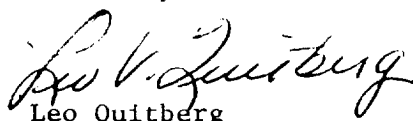
Re: Your letter of October 6
(to M. Watts) - Brine Disposal

Dear Mr. Myers:

This will confirm our telephone conversation earlier today wherein AMAX Chemical Corporation agrees to brine disposal into our tailings pond from Mabel Hale Federal No. 1. This is agreed to with the understanding that amounts will not exceed some six or eight barrels per day, and that the brine will be free from hydrocarbons.

Enclosed are four (4) area maps, which I have marked up in green to show the approximate size and location of our tailings pond. You will see that you can reach the pond with the least amount of pipe by bearing southwest from the well site.

Sincerely,


Leo Quitberg
Plant Engineer

LQ:ca

Encl. (4)

CC: Mr. M. L. Watts