

RELEASE OF DAMAGES AND RIGHT OF WAY GRANT

KNOW ALL MENT BY THESE PRESENTS:

That Jerry D. Martin(Landowner), for and in consideration, the receipt of which is hereby acknowledged, has and does release, discharged and acquitted said McKay Oil Corporation of any and all liabilities to him for damages to Martin land, to the extent that the amount of the land used is reasonably necessary for construction of access roads

SEP 13 1987

and maintainance of access roads on the following described lands located in Chaves County, New Mexico to-wit:

Township 4 South, Range 22 East, N.M.P.M.

Section 32: SE/4 SE/4 NW/4, SW/4, SW/4 SW/4 SE/4

Township 5 South, Range 22 East, N.M.P.M.

Section 7: SE/4 SE/4

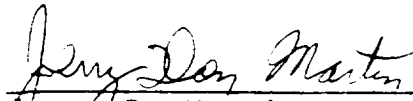
(As shown on Enclosed Exhibit)

And for the consideration above, Martin does hereby grant unto the said McKay Oil Corporation, its successors or assigns, the right of way and easement to use and maintain said access roads.

It is furthermore understood that this agreement covers only those ordinary damages incurred as the result of construction of the proposed access roads.

This agreement shall bind the parties, their heirs, assigns, executors and administrators and shall survive the execution thereof.

IN WITNESS WHEREFORE, this instrument has been executed as the day and year hereafter stated.



Jerry D. Martin

STATE OF NEW MEXICO)

COUNTY OF CHAVES)

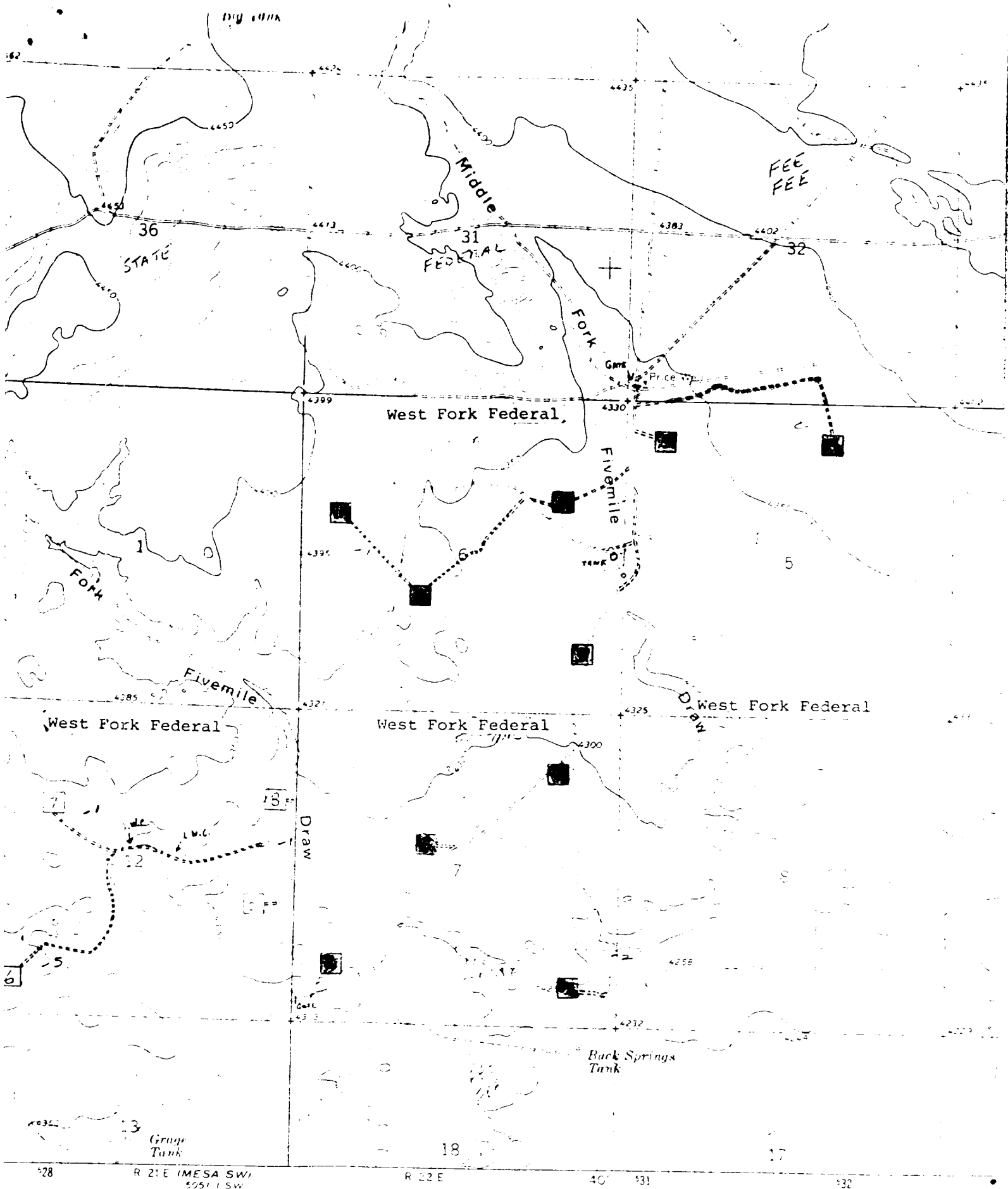
The foregoing instrument was acknowledged before me this 16th day of September, 1987, by Jerry D. Martin.



Notary Public

MY COMMISSION EXPIRES:

1-30-88



SCALE 1:4000