

Mr. T. W. Bittick

June 29, 1962

Harry Gevertz

Land Department

Re: Brookhaven Farmout Agreement - GLA 46

Attached for your review and approval is a draft of proposed letter amendment to the captioned Farmout Agreement. As discussed, this letter amendment is to accomplish the following:

1. Provide that the costs of drilling all Dakota wells are to be shared equally by Brookhaven and El Paso.
2. Provide that the costs of any dual completions shall be shared equally by Brookhaven and El Paso.

Briefly, the sections and amendment referred to in this letter agreement provide as follows:

1. Section 5-d-2 provides that any well drilled to a greater or lesser depth than the Mesaverde Formation shall be at a cost determined by the parties. However, casing is to be furnished by El Paso.
2. Amendment dated November 20, 1953, provides for Brookhaven's maximum share of Pictured Cliffs well costs, except casing, which is to be furnished by El Paso without cost to Brookhaven.
3. Section 5-d-1 provides for the cost allocation for a Mesaverde well and also requires that El Paso furnish all casing without reimbursement from Brookhaven.

Upon your approval of the proposed amendment, a transmittal letter to Brookhaven will be prepared. Please advise as to who you wish to sign both the amendment and the letter of transmittal.

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