BROOKHAVEN OIL COMPANY

Oper, Agnot.

(OFFICE) 7244 EAST INDIAN SCHOOL ROAD (MAIL) P. O. BOX 1267 SCOTTSDALE, ARIZONA 85252

April 3, 1975

Mr. D. N. Canfield Director of Land Energy Resource Development El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas 79978

Dear Mr. Canfield:

Thank you very much for your letter of March 27, 1975, and Letter Agreement of the same date relative to drilling new wells in the San Juan Basin on our joint properties.

I have rewritten Item "2." and "3." in accordance with the figures contained in the Letter Agreement of April 4, 1973. It seems to me that it is better to keep those costs which we have all agreed to rather than inject still other figures. I have also amended the first paragraph of Page Two of this Letter Agreement. I think this will be satisfactory to you and it is a little more explicit relative to the location and formation of the twelve wells to be drilled.

If you or Mr. Bittrik will be kind enough to agree and accept this, we will then have the whole matter resolved.

Very truly yours,

BROOKHAVEN OIL COMPANY and DACRESA CORPORATION

By

Thomas B. Scott, Jr., President

TBS/sh Enclosures