

**El Paso** NATURAL GAS  
COMPANY

LAND DEPARTMENT

GLA DISTRIBUTION

P. O. BOX 1492  
EL PASO, TEXAS 79978

PHONE: 915-543-2600

May 20, 1976

GLA-46

Amendment #19

Brookhaven Oil Company  
P. O. Box 1267  
Scottsdale, Arizona 85252

Dacressa Corporation  
P. O. Box 1267  
Scottsdale, Arizona 85252

Amoco Production Company  
Security Life Building  
Denver, Colorado 80202

Gentlemen:

On November 27, 1951, Brookhaven Oil Company and San Juan Production Company entered into an Operating Agreement pertaining to certain lands in San Juan County, New Mexico. Said Agreement provided that "In the event any well be drilled upon said acreage to a greater or lesser depth than a Mesaverde well, the drilling costs (except casing to be furnished by San Juan) to be paid out of production by Brookhaven shall be determined proportionately with the parties agreeing upon a maximum cost comparable to the maximum cost of a Mesaverde well, as defined in Section 5d1 above."

The Agreement does not provide for an amount to be recovered from a well completed in the Tertiary Sands Formation and since the San Juan 32-9 Unit #84 well has been drilled and completed in this formation, it is the purpose of this letter to amend the Operating Agreement of November 27, 1951 to provide for an amount to be recovered from the Tertiary Sands Formation.

By this Letter Agreement, Brookhaven Oil Company, Dacressa Corporation, and Amoco Production Company, as successors in interest to Brookhaven Oil Company and El Paso Natural Gas Company, as successor in interest to San Juan Production Company, do hereby evidence the amendment of the Operating Agreement of November 27, 1951 as follows:

Brookhaven, Dacressa, and Amoco's obligations to pay drilling costs out of production on a Tertiary Sands well shall not exceed Thirteen Thousand Two Hundred Fifty Dollars (\$13,250), or one-half (1/2) of the estimated cost of Twenty-Six Thousand Five Hundred Dollars (\$26,500) per Tertiary Sands well. The

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Brookhaven Oil Company  
Dacressa Corporation  
Amoco Production Company  
Page Two

drilling costs of each such well shall include all costs provided for in the Operating Agreement dated November 27, 1951, but shall not include costs of casing.

Please evidence your acceptance of the foregoing by returning a signed copy of this Letter Agreement to the undersigned.

Yours very truly,

EL PASO NATURAL GAS COMPANY

BY: T. W. Butcher  
Assistant Vice President

AGREED TO AND ACCEPTED this

28<sup>th</sup> day of May, 1976.

BY: Brookhaven Oil Co  
Charles B. Scott Jr President

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drilling costs of each such well shall include all costs provided for in the Operating Agreement dated November 27, 1951, but shall not include costs of casing.

Please evidence your acceptance of the foregoing by returning a signed copy of this Letter Agreement to the undersigned.

Yours very truly,

EL PASO NATURAL GAS COMPANY

BY: T. W. Fitts  
Assistant Vice President

AGREED TO AND ACCEPTED this

28<sup>th</sup> day of May, 1976.

BY: Dacressa Corp  
by Thomas B. Bergh Pres

000733

drilling costs of each such well shall include all costs provided for in the Operating Agreement dated November 27, 1951, but shall not include costs of casing.

Please evidence your acceptance of the foregoing by returning a signed copy of this Letter Agreement to the undersigned.

Yours very truly,

EL PASO NATURAL GAS COMPANY

BY: T. W. Fitts  
Assistant Vice President

AGREED TO AND ACCEPTED this

17<sup>th</sup> day of June, 1976.

AMOCO PRODUCTION COMPANY  
BY: M. J. Hansen

IT'S ATTORNEY-IN-FACT



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