



Hidalgo Smelter, Playas, New Mexico 88009 • (505) 436-2211

December 3, 1990

Mr. Arthur B. Ramsey
Ramsey Petroleum Company
Post Office Box 11446
Albuquerque, New Mexico 87192

Re: Oil Well No. 25-2

Dear Mr. Ramsey:

Under the following provisions, permission is granted to Ramsey Petroleum to develop Oil Well No. 25-2 located in Playas, New Mexico:

1. Ramsey Petroleum obtain all necessary Federal, State, and Local Governmental permits.
2. Ramsey Petroleum will clean up the area around Oil Well No. 25-2 after completion.
3. If Oil Well No. 25-2 produces oil and gas, Well No. 25-1 will be turned over to the Phelps Dodge Mining Company to be used as a water well. At that time, Ramsey Petroleum will reimburse Phelps Dodge Mining Company for site clean-up of Oil Well No. 25-2.
4. If Oil Well No. 25-2 does not produce oil and gas, Ramsey Petroleum will cut off the 4 inch casing at the bottom of the existing 8 inch casing (approximately 600 feet).

If you are in agreement with the above referenced conditions, please sign below and return this letter to my attention.

Arthur B. Ramsey
Arthur B. Ramsey

Dec. 6, 1990.
Date

Before mobilizing, please have your representatives coordinate the start date with Plant Engineering.

If you have any questions, please contact Mr. Thor Anderson at 505/436-2211, Ext. 321.

Very truly yours,

W. H. Champion / W.H.C.
W. H. Champion
Smelter Superintendent

WHC:cw

c: R. A. Reed