HORDS OFFICE O. C. C.

JAN 10 7 30 AN '66

December 28, 1965

United States Geological Survey Attention: Mr. William L. Hiss Page 2

3. Sinclair, for itself and as Unit Operator, insofar as it has the right to do so, hereby gives and grants to USGS the right to take over the well and to operate therein for the sole and only purpose of studying, investigating and testing the water resources of the Capitan Reef, hereby retaining all interest in the oil, gas and associated hydrocarbons. The USGS shall give to the Unit Working Interest Owners access to the location and any information obtained from this investigation will be made available to the Unit Working Interest Owners. It is recognized that the water study may require as long as three years.

Please indicate your approval and consent by signing a copy of this letter in the space provided and return to us.

Yours very truly,

SINCLAIR OIL & GAS COMPANY

, Em Couch

By: R. M. Kobdish

BY

APPROVED this _____ day of

_____, 19 _____

UNITED STATES GEOLOGICAL SURVEY

By _____

