

CENTRAL

RESOURCES, INC.

May 2, 2002

VIA CERTIFIED MAIL

Giant Industries, Inc.
111 CR 4990
Bloomfield, NM 87413

Attention: Mr. Korbi Hart

Re: Navajo Allotted Oil and Gas Leases
NOOC-14-20-5254 and NOOC-14-20-5245
Hixon Com 1-A and Hixon Com 1-E Wells
N/2 Sec. 21, T-25-N, R-11-W,
San Juan County, New Mexico



Dear Mr. Hart:

Please be advised that pursuant to an agreement with the Farmington Indian Minerals Office, ("FIMO"), Central Resources, Inc., the former operator of the above-referenced wells, is authorized to tender to Giant for transport and disposition all of the oil presently in tank No. GI-2020 at the well-site location. Giant should disburse proceeds from the sale of the oil to Central Resources, Inc. which will in-turn place the proceeds in suspense in accordance with its agreement with FIMO. FIMO confirms that it will release Giant from all liability on disbursement to Central.

Giant is requested to pick-up the oil down to the load-line level of the tanks, leaving the remaining BS&W in place for separate, subsequent disposition.

Should you require further information, please contact us at our Denver offices.

Sincerely,

Central Resources, Inc.

A handwritten signature in cursive script that reads "Jeannette H. Feigt".

Jeannette H. Feigt
Land Manager

Cc: Farmington Indian Minerals Office
NMOCD - Aztec
J. Scott Hall; Miller, Stratvert & Torgerson, P.A.
Irene Trujillo