



ENERGY PRODUCTION COMPANY, L.P.

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-8260

Telephone: (405) 235-3611
Fax: (405) 552-8113

April 10, 2000

VIA FACSIMILE & CERTIFIED MAIL

Central Resources, Inc.
1775 Sherman Street, Suite 2600
Denver, CO 80203
Attn: Rick Hodges

April 17, 2000

Central hereby returns your letter agreement
executed by fax. Please provide drilling
information to the following party:

RKC, Inc.
15217 Hillside Road
Fairfield, CT 06490
Attn: Richard Kral

Central Resources, Inc.
Attn: Pamela Ehrlich
FAX: (303) 830-1397
Phone: (303) 830-0100

Toreador Exploration & Production, Inc.
8117 Preston Road, Suite 530
Dallas, TX 75225
Attn: Kathy Navison

Address: 1775 Sherman St., Ste. 2600
Denver, CO 80203-4313

Re: State "7" Well No. 2
S/2 Section 7-24S-25E
Eddy County, New Mexico

Ladies and Gentlemen:

Your working interests in the above well were force pooled by KCS Medallion Resources, Inc. under Oil Conservation Division Order No. R-11264. Devon Energy Production Company, L.P. ("Devon") is now the operator of the well. Downhole problems were encountered at approximately 600 feet, the well was skidded approximately 100 feet and drilling has recommenced.

The purpose of this letter is to request your agreement that the new location be considered a replacement well for the original well described in Order No. R-11264, which was timely commenced under the terms of the order, and that your non-consent election under Order No. R11264 will also apply to the replacement well. Should you agree with the above, please indicate by executing in the space provided below and return an executed original to the undersigned.

Devon would appreciate a response within the next five (5) business days or we will seek to amend the Pooling Order. Your prompt attention to this matter is greatly appreciated.

Sincerely,

Carla D. Wood
Sr. Petroleum Landman

cc: Pamela
Brenda

NEW MEXICO
OIL CONSERVATION DIVISION

Devon EXHIBIT 7
CASE NO. 12402

APR 17 2000 01:15PM

State "7" Well No. 2
April 10, 2000
Page -2-

CDW:mkbblate 7 well no. 2
ene.

Agreed to this 17th day of April, 2000. - See request for drilling information
on Page 1.

Company: Central Resources, Inc.

By: 

Christine L. Hinton

Title: Attorney

devon

ENERGY PRODUCTION COMPANY, L.P.

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-6260Telephone: (405) 333-3611
Fax: (405) 552-8113

April 10, 2000

VIA FACSIMILE & CERTIFIED MAILCentral Resources, Inc.
1775 Sherman Street, Suite 2600
Denver, CO 80203
Attn: Rick HodgesRKC, Inc.
15217 Hillside Road
Fairfield, CT 06430 *30 Richard Kral*
Attn: Richard KralTornado Exploration & Production, Inc.
4809 Cole Avenue, Suite 108
Dallas, TX 75205
Attn: Hershel SandersRe: State "7" Well No. 2
S/2 Section 7-24S-25E
Eddy County, New Mexico


Ladies and Gentlemen:

Your working interests in the above well were force pooled by KCS Medallion Resources, Inc. under Oil Conservation Division Order No. R-11264. Devon Energy Production Company, L.P. ("Devon") is now the operator of the well. Downhole problems were encountered at approximately 600 feet, the well was skidded approximately 100 feet and drilling has recommenced.

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Sincerely,

Carla D. Wood
Sr. Petroleum Landman
4/12/00
For RKC

State "7" Well No. 2
April 10, 2000
Page -2-

CDW:mkt@state7 well no 2
etc.

Agreed to this 10th day of April, 2000.

Company: R. K. C. Inc.

By: Richard K. C.

Title: President

devon

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1775 Sherman Street, Suite 2600
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Attn: Rick Hodges

RKC, Inc.
15217 Hillside Road
Fairfield, CT 06490
Attn: Richard Kral

Toreador Exploration & Production, Inc.
4809 Cole Avenue, Suite 108
Dallas, TX 75205
Attn: Hershel Sanders

Re: State "7" Well No. 2
S/2 Section 7-24S-25E
Eddy County, New Mexico

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Your working interests in the above well were force pooled by KCS Medallion Resources, Inc. under Oil Conservation Division Order No. R-11264, Devon Energy Production Company, L.P. ("Devon") is now the operator of the well. Downhole problems were encountered at approximately 600 feet, the well was sidetracked approximately 100 feet and drilling has recommenced.

The purpose of this letter is to request your agreement that the new location be considered a replacement well for the original well described in Order No. R-11264, which was timely commenced under the terms of the order, and that your non-consent election under Order No. R11264 will also apply to the replacement well. Should you agree with the above, please indicate by executing in the space provided below and return an executed original to the undersigned.

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Sincerely,




Carla D. Wood
Sr. Petroleum Landman

State "7" Well No. 2
April 10, 2000
Page -2-

CDW mikblate 7 well no. 2
one.

Agreed to this 26th day of April, 2000.

Company: Terracor Exploration & Production, Inc.

By: 
Herschel E. Sanders

Title: Vice President - Land