KC5 Medallion Resources, Inc. February 9, 2000 Page -2-

If this letter correctly sets forth your understanding of our agreement, please signify your acceptance in the space provided below and return one (1) executed original to the undersigned within five (5) days from the date hereof.

Sincerely.

-----

,

DEVON ENERGY CORPORATION (NEVADA)

R. D. Clark

Vice President

rds:cawimkbikes.l

une,

ACCEPTED AND AGREED TO THIS 26 day of February, 2000.

KCS MEDALLION RESOURCES, INC.

D. Deffenbaugh

Vice President - Land