

June, 1983 Began negotiations and due diligence review to purchase Caribou Four Corners (C4C)

June 30, 1983 Contacted by Kay C. Havenor of MSPC regarding possible suit against C4C due to problems regarding operations

July 12, 1983 Met with Paul Slayton, President of MSPC, in Roswell, NM, regarding problems due to C4C operations and MSPC was interested in taking over as operator or sell their interest to GRRL

October 11, 1983 Began negotiations on purchase of MSPC interest in wells from Paul Slayton

November 14, 1983 Slayton traveled to Denver to negotiate a Letter of Intent and other conditions of the sale to GRRL

December 7, 1983 Exchange Offer for purchase of C4C interest closed effective July 1, 1983

December 28, 1983 Contract to purchase MSPC interest from Slayton Oil Co (SOC would purchase from MSPC) mailed to SOC to be effective 1/1/84

January 27, 1984 Contract executed and closing occurred through mail. We have a continuing obligation with SOC due to Promissory Note and Mortgage with payments due quarterly beginning 3/31/84

February 9, 1984 Hired Denny Foust as a Consulting Geologist to help select locations to drill and discuss any problems

Foust was employed with C4C from May 1, 1978 to July 10, 1981 as a geologist in Farmington. Kirtland #3 was drilled 8/18/79 and completed 11/2/79

February 13, 1984 Foust mailed opinion as to drilling locations due to topographical problems to GRRL

Week of 6-11th of February Slayton telephoned approximately 2nd week of February proposing that we approve a non-standard proration unit that would not include our acreage to drill the #32-18 well. We advised that we would drill along with Slayton as a working interest owner and pay our share of the costs of the well.

April 9-19, 1984 Foust did consulting land work and obtained a lease for GRRL and did additional title search

OIL COMMISSION
Santa Fe, N.M. 87500

Case No. 8285 Exhibit No. 2

Submitted by Greenwood

Hearing Date 8/1/84