

Rand Carroll
RE: Update on operator replies
for show cause letters

Chuza Operating Certified letter received on 1-19-95
Tim Collier called & said the wells in question had been released to Fred Shelton & he was ordered by the court to file a bond on wells. I sent a copy of the 30 day notice to Fred Shelton & he called me & said he was working on a sale to Dune petr. (Allen Neal) & needed 60 days to complete sale. I told him we needed something in writing or some confirmation of Dune petr. interest in wells. Chuza Operating called on 2-3-95 & said they had been notified by Allen Neal of his plan to file C104 s & that he had talked to Dianne Richardson about a bond. I called Dianne and she did say she had talked to Neal & expected a bond any time now.

Spur Oil Co. Fred Shelton received 30 day notice letter on 1-19-95

Fred Shelton called on 1-20-95 stating that he had received the letter & asked for a extension as he was trying to put together a sale to Dune Operating and needed 60 days to complete sale. I asked for him to send us sundry notices of his intention of sale of leases. We have received no documentation other than Dianne talking to Dune about a bond.

Petroleum Development Received 30 day letter 1-3-95

Jim Johnson sent a letter asking for a extension until April due to weather. 1-5-95
I called Jim Johnson and asked if he planned to send in C103s on each well & he said Fred Shelton had called & told him about the pending sale to Dune Petr. & he was holding up on any further work until sale was final.