



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

August 28, 1996

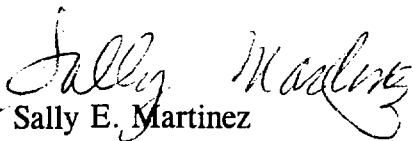
James R. Woosley
Woosley Oil Company
Cortez, Colorado

**RE: CASE NO. 11515
ORDER NO. R-10659**

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,


Sally E. Martinez
Administrative Secretary

cc: BLM - Farmington
OCD - Aztec Office
Rand Carroll - OCD
Ned Kendrick

F A X

Oil Conservation Division

2040 S. Pacheco

Santa Fe, NM 87505

(505) 827-7131

Ned Fax

(F) 982-4289

(O) 986-2527

To: Ned Kendrick

11515

11516

11517

From: Rand Carroll

Connors

Date: 4/18/96

Anton

Subject: Woosley

(Amers)

Jim Woosley

970-565-8245 Home

(Has info. on

970-560-1139 Cellular

receivership

will be in Texas until

and operation

wed 4/24

If you have any problems with this FAX, please
call the above telephone number.

DUFFORD, WALDECK, MILBURN & KROHN, L.L.P.

ATTORNEYS AT LAW

BETTY C. BECHTEL
WILLIAM H.T. FREY
RICHARD H. KROHN
LAIRD T. MILBURN

744 HORIZON COURT, SUITE 300
GRAND JUNCTION, CO 81506
TELEPHONE: (970) 241-5500
FAX: (970) 243-7738

D.J. DUFFORD
OF COUNSEL

WILLIAM G. WALDECK
OF COUNSEL

NATHAN A. KEEVER
FLINT B. OGLE
MICHAEL C. SANTO

LINDA E. WHITE
OF COUNSEL

April 3, 1996

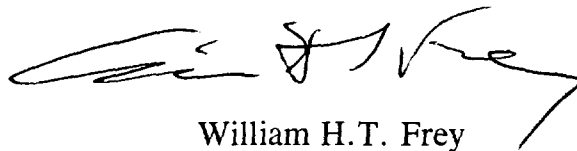
Rand Carroll
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Re: Case No. 11515

Dear Mr. Rand:

Mr. Woosley referred your letter of March 29, 1995, to me for a response. Mr. Woosley has had no control over the operation of the wells listed since Citizens State Bank of Cortez was appointed receiver of those wells on February 8, 1989. Mr. Woosley filed bankruptcy on December 1, 1992, and was discharged on April 5, 1993, a copy of the discharge is attached. Recently, Citizens State Bank abandoned the leases back to the lessors with permission of the receivership court, see order dated June 28, 1995. Because of Mr. Woosley's bankruptcy discharge, and lack of control over the leases, he does not have any liability with regard to the plugging and abandonment of the wells and will consider any further attempts to assert liability against him as a violation of the bankruptcy discharge.

Sincerely,

A handwritten signature in black ink, appearing to read 'William H.T. Frey', with a long, sweeping horizontal line extending to the right.

William H.T. Frey

Enclosures
pc James Woosley

DISTRICT COURT, MONTEZUMA COUNTY, COLORADO

Case No. 89 CV 32

AMENDED ORDER FOR ABANDONMENT OF CERTAIN ASSETS

THE CITIZENS STATE BANK OF CORTEZ, a Colorado Banking Corporation,
Plaintiff,

vs.

JAMES P. WOOSLEY, Individually and d/b/a THE WOOSLEY OIL COMPANY,
and EVELYN I. WOOSLEY,

Defendants.

UPON CAREFUL CONSIDERATION of Receiver's Motion for Abandonment of Certain Assets, Defendant's Motion to Clarify and Amend Order For Abandonment of Assets, Receiver's Response and Receiver's Motion to Amend, and this Honorable Court being otherwise fully advised in the premises, DOES HEREBY FIND:

1. That this Honorable Court has jurisdiction over the subject matter of this Motion.

2. That the allegations set forth in the Receiver's Motion for Abandonment of Certain Assets, Defendant's Motion to Clarify, and Receiver's Motion to Amend are true.

3. That Ken Barker was the duly appointed Receiver of the oil and gas leases for Defendants by an Order of this Court dated June 6, 1991.

IT IS THEREFORE ORDERED:

1. That Ken Barker, the duly appointed Receiver, is hereby ordered to abandon the certain assets of the Estate of Defendants consisting of the following:

a. Navajo Tribal Oil and Gas Mining Lease Contracts Numbered 14-20-603-585 and Number 14-20-603-512, relating to land in San Juan County, New Mexico. These contracts are more fully described in Exhibit A attached hereto.

b. Oil and gas leases which relate to land in McKinley County, New Mexico. These leases are more fully described in Exhibit B attached hereto.

U.S. Custom House
721 19th Street
Denver, CO 80202-2508

DISTRICT OF COLORADO

RECEIVED APR - 8 1993

Case Number: 92-24931 RJB

David A. Palmer
P.O. Box 4244
Grand Junction, CO 81502-4244

IN RE (NAME OF DEBTOR)

James P. Woosley, 452-48-0608

Evelyn I. Woosley, 521-44-1826

DISCHARGE OF DEBTOR

It appearing that a petition commencing a case under title 11, United States code, was filed by or against the person named above on 12/01/92, and that an order for relief was entered under chapter 7, and that no complaint objecting to the discharge of the debtor was filed within the time fixed by the court [or that a complaint objecting to discharge of the debtor was filed and, after due notice and hearing, was not sustained];

IT IS ORDERED THAT:

1. The above-named debtor is released from all dischargeable debts.
2. Any judgment heretofore or hereafter obtained in any court other than this court is null and void as a determination of the personal liability of the debtor with respect to any of the following:
 - (a) debts dischargeable under 11 U.S.C. Sec. 523;
 - (b) unless heretofore or hereafter determined by order of this court to be nondischargeable, debts alleged to be excepted from discharge under clauses (2), (4) and (6) of 11 U.S.C. Sec. 523(a);
 - (c) debts determined by this court to be discharged.
3. All creditors whose debts are discharged by this order and all creditors whose judgments are declared null and void by paragraph 2 above are enjoined from instituting or continuing any action or employing any process or engaging in any act to collect such debts as personal liabilities of the above-named debtor.

Dated: 04/05/93

BY THE COURT

Roland J. Brumbaugh
United States Bankruptcy Judge

B242A 0164
11/92



c. Oil and gas leases which relate to land in Montezuma County, Colorado. These lease contracts are more fully described in Exhibit C attached hereto.

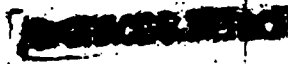
2. These oil and gas leases are to be abandoned by the Receiver to the specific Lessors of said leases.

3. That Ken Barker, as Receiver, is directed to notify the individual Lessors and all appropriate regulatory agencies, accountants, customers, or other entities regularly doing business involving these oil and gas leases that he no longer claims any interest in the above described assets.

4. The Receiver is further directed to cease any business operation, administrative duties, or maintenance operations of the assets above described from this date forward.

Done and signed this 28th day of June, 1995.

BY THE COURT:



Grace S. Merlo
District Court Judge

DUFFORD, WALDECK, MILBURN & KROHN, L.L.P.

ATTORNEYS AT LAW

BETTY C. BECHTEL
WILLIAM H.T. FREY
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April 3, 1996

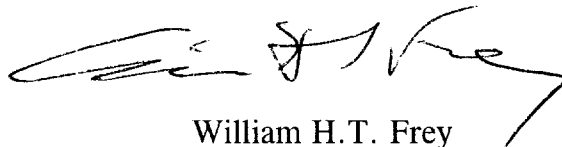
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William H.T. Frey

Enclosures
pc James Woosley

UNITED STATES BANKRUPTCY COURT

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721 19th Street
Denver, CO 80202-2508

DISTRICT OF COLORADO

RECEIVED APR - 8 1993

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2. Any judgment heretofore or hereafter obtained in any court other than this court is null and void as a determination of the personal liability of the debtor with respect to any of the following:
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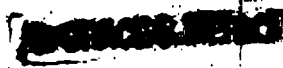
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4. The Receiver is further directed to cease any business operation, administrative duties, or maintenance operations of the assets above described from this date forward.

Done and signed this 28th day of June, 1995.

BY THE COURT:



Grace S. Merlo
District Court Judge