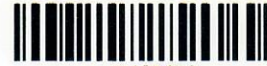


STATE OF COLORADO
OIL AND GAS CONSERVATION COMMISSION

DEPARTMENT OF NATURAL RESOURCES
SUITE 380 LOGAN TOWER BUILDING
1580 LOGAN STREET
DENVER, COLORADO 80203

WILLIAM R. SMITH
Director
FRANK J. PIRO
Deputy Director

(303) 866-3531



00270016

ROMER
Governor

September 11, 1987

Rex Monahan
P.O. Box 1231
Sterling, CO 80751

RE: Status Updates on all Shut-In or Temporarily Abandoned Wells

Gentlemen:

The Colorado Oil and Gas Conservation Commission requires a status update every six months for all shut-in or temporarily abandoned wells. While we realize this is an inconvenience for operators with a large number of these wells, due to the unstability of the industry and bonding companies, we must enforce this requirement.

Rather than send you a separate notice for each well, by this letter we are asking you to send an individual Sundry Notice (OGCC Form 4) for each well indicating current status no later than October 11, 1987, and every six months thereafter. This report is required in addition to the monthly Production Report (OGCC Form 7); however, if all wells on the same lease are SI or TA, you need only submit the Sundry Notice once every six months and you do not have to file a Form 7 until one of the wells begins producing. Your cooperation is greatly appreciated.

Very truly yours,

David Edwards
Well Records Department