



Duane D. Bacon  
President

# ENERGY OIL, INC.

1960 Industrial Circle  
Longmont, Colorado 80501  
(303) 776-4354

# COPY

RECEIVED  
MAY 29 1987  
COLO. OIL & GAS CONS. COMM.

356-1000

May 14, 1984

*Kauffman & Weinberger  
825-4822  
Paul Gagnon  
Piedmont Expl*

MAY 29 1987

*Terry  
Auring* Commercial Loan Dept.

Mr. Corky Ortega  
United Bank of Greeley  
P.O. Box 1057  
Greeley, CO 80632

SUNSET Hill  
↓

14-7N-58W

*Ken Maul  
from Sunset Hill*

Dear Corky:

I write this letter with much regret. After several attempts to recomplete the Grail field wells, we have not been successful in helping any of the production. We have attempted two D-Sand recompletions in the Doll #2 and #3 wells. Neither seemed to help. We then tried the J-Sand in the Doll #2 to discover that it was all water. With one chance left, we tried the Bottom bench of the Niobrara. It was so tight we could not frac it because of the poor cement job in the wells. Although we increased the frac pressure to 4100 lbs., it still would not frac.

*PERFS IN SAND?  
NO??*

To date we have spent approximately \$125,000 on these wells and have not helped them. We are notifying you that, as of the first day of June, we are resigning as Operators and turning any interest we might have had in this project back to the original owners.

As of Monday, May 14, 1984, all of the pumps in these wells have been replaced and are pumping.

We are sorry this didn't work out for your sake and ours.

Yours truly,

*Duane Bacon*  
Duane D. Bacon  
President

DDB/gr