



May 1, 1997

Mr. Chuck Farmer  
Union Pacific Resources  
801 Cherry Street  
Fort Worth, TX 76012-6803

Re: State 1-36 #1, NW Section 36, T11S, R52W, Lincoln County, Colorado

Dear Chuck:

The correspondence of April 1, 1997, from W.R. Brazelton of your office indicates UPR transferred ownership of this well to Denver American Petroleum. We have not received a Form 10 from Denver American Petroleum and correspondence sent to them has been returned unopened.

The well has been successfully pressure tested and is in compliance. The COGCC still considers UPR to be the operator until a Form 10, Change of Operator, and a bond is submitted transferring the well to a new operator.

Please feel free to call me with any questions or comments.

Sincerely,

Morris Bell  
Manager of Engineering