

Brian James

OIL AND GAS BROKER
COMPLETE SERVICES

RECEIVED

DEC 16 1985

COLO. OIL & GAS CONS. COMM.

December 10, 1985

Jim McKee
1580 Logan Street, Ste 380
Denver, Colorado 80203

Re: Release of individual bonds
Colorado fee leases
Logan County, Colorado

Dear Mr. McKee:

Pursuant to our conversation, please review your files so as to approve releases of individual surface restoration bonds on those leases bonded for drilling by OXOCO, Inc., in Logan County, Colorado. Those tracts being released, as listed below, have been restored, and settlement has been made to the landowners, therefore OXOCO would like to have their bonds released. The lands which were bonded are as follows:

<u>WELL</u>	<u>DESCRIPTION</u>	<u>SETTLEMENT PAID</u>
✓ Padroni #6-1	SE/4NW/4-6-9N-52W	\$1,000.00
✓ Peavey Channel #29-1	SE/4NE/4-29-12N-55W	\$ 500.00
✓ Merino #30-1	1650' FSL & 2310' FWL from SW/corner of Sec. 30-6N-54W. <i>NE SW</i>	*See note below.

*NOTE: The Merino #30-1 well was drilled by the Beren Corp. on a location at 2210' FWL & 2010' FSL on their own bond. OXOCO's bond is still in effect on this tract and due to the reason as mentioned above, we need a release from the State.

At your earliest convenience, please release these bonds and send them to my attention at the address listed below. If you need any additional information, please don't hesitate to call. Thanks again.

Sincerely yours I am,

Brian D. James
for OXOCO, Inc., aka OXTEX



DEC 16 1985

COLORADO OIL & GAS CONS. COMM.

RELEASE OF DAMAGES CAUSED BY OPERATIONS

Know All Men By These Presents:

That (I) (we) the undersigned, of Sterling
 State of Colorado, for and in consideration of the payment to us in
 cash of the sum of \$ \$500.00, by Gear Drilling Company (check #5046)
 the receipt of which is hereby acknowledged, have released, discharged and
 acquitted and, by these presents, do release, discharge and acquit said
 Oxoco Inc. & Gear Drilling Company of any and all liability to (me)
 (us) for damage to (my) (our) land, livestock, crops, and other properties
 occasioned by the drilling and/or operating of a well known as the
 Peavey Channel No.29-1 located in approximately the SE NE SEC.29-12N-55W
 Logan County, Colorado and (I) (we) agree that every claim and cause of action that
 (I) (we) now have, or may have ever had in same, is in all things fully satis-
 fied, released and discharged.

And, for the consideration above we hereby release, cancel, annul and
 declare satisfied and discharged any and every cause of action which (I) (we)
 now have or may have ever had against said Oxoco Inc. & Gear Drilling Company
 by reason of said ingress/egress operations of the
 above well.

And (I) (we) hereby bind (my) (our) heirs, assigns, executors and admin-
 istrators to never institute or prosecute, either at law or in equity, any cause
 of action or suit against the said above named
 for loss or injury heretofore sustained by (me) (us) and occasioned by the said
 Oxoco Inc. & Gear Drilling Company operations in ^{ingress/egress} drilling and/or oper-
 ating the above-named well.

In witness whereof, (I) (we) have hereunto set our hand and seal this
 26 day of March, 1985

WITNESS

Shirley D. Nelson

Chauncey Nelson
 Chauncey Nelson

APR 2 1985