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ALLEN OIL AND GAS LLC.
910 TRAVIS, SUITE 2150
HOUSTON, TEXAS 77002
TEL: (713) 659-8600 FAX: (713) 658-8906

June 11, 1998

VIA FAX
(303) 894-2109

Jamie Adkins
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

Re: Buck Peak Field
Moffat County, Colorado
Tow Creek Field
Routt County, Colorado

Dear Jamie,

Per our phone conversation, Allen Oil and Gas LLC agrees to take the responsibility for the plugging liability on the wells listed on Form 10 and submitted to the Conservation Commission on April 1, 1998.

Additionally, in exchange for clearing the current NOAV's, it agrees to plug or perform a mechanical integrity test on the Kowach 1 & 2, Voloshin Gas Unit 2 and the Bradley 1 & 2 before October 1, 1998.

Sincerely yours,
Allen Oil & Gas LLC.

Claude T. Allen, Jr.
President

CTA/ncy