



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

RICHARD D. LAMM
Governor

May 27, 1987

Cowan Oil Company
300 East 16th Street
Suite 207
Greeley, CO 80631

Re: C NW SE 7-3S-55W
#1 Jolly 43-7
SE NW 8-3S-57W
#1D Jolly 22-8
C NE NW 8-3S-57W
#3D Jolly 21-8

Gentlemen:

Documents have been received by the Colorado Oil and Gas Conservation Commission showing you are the operator of this well. The Commission's Rule 304 requires that a bond or acceptable security be posted with this office for purposes of future abandonment of a well or wells. A single well requires a bond of \$5,000; a blanket bond in the amount of \$30,000 will cover all wells in the State of Colorado.

The Commission will be glad to assist you with the details including several options. Please contact James A. McKee, Supervising Petroleum Engineer, at (303) 866-3531. In the event that you do not post the required bond or acceptable security in compliance with Rule 304 within thirty (30) days of this letter, the Commission will take further action against you to assure compliance with Rule 304.

Very truly yours,

Dennis R. Bicknell
Dennis R. Bicknell

Senior Petroleum Engineer

DRB/jk
Enclosures

cc: J. M. McCool