



00400743

KIMBARK OPERATING COMPANY
KIMBARK COMPANY
KIMBARK ASSOCIATES

KIMBARK
SUITE 808 LINCOLN TOWER BUILDING
1860 LINCOLN STREET
DENVER, COLORADO 80295
303-839-5504

RECEIVED

FEB 6 1980

COLO. OIL & GAS CONS. COMM.

WALTER K. ARBUCKLE
GEORGE WALLACE BAYNE
WILLIAM R. THURSTON

January 29, 1980

Mr. Stanley Baker
Mr. Steve Baker
Woodrow, Colorado 80757

Re: Nothdurft #1
C NE SW Section 7
T-3-S, R-56-W
Washington Cty., CO

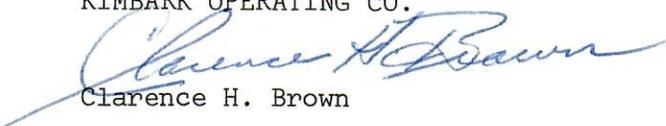
Dear Messrs. Baker:

As per your discussion this date with Mr. William R. Thurston, this letter will serve as your written agreement to accept \$800.00 plus one half of 1% of 8/8ths overriding royalty interest under certain acreage leased to Hardscrabble Associates in Section 7, T-3-S, R-56-W, to cover road and location damages associated with our drilling of the Nothdurft #1.

If the terms of the letter reflect our agreement, please sign in space provided below indicating your acceptance of these damages as full settlement and present the attached \$800.00 check to your bank for payment. As soon as we receive your signed letter indicating your acceptance of this damage settlement, we will prepare the necessary documents to assign you the one half of 1% of 8/8ths overriding royalty interest. Please return immediately so we may proceed with drilling operations.

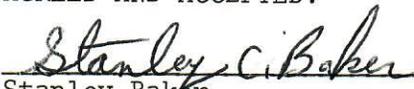
Yours Truly,

KIMBARK OPERATING CO.


Clarence H. Brown

CHB:jl

AGREED AND ACCEPTED:


Stanley Baker Date: 1-31-80


Steve Baker Date: 1-31-80