



STATE OF COLORADO

BOARD OF LAND

Department of Natural Resources
1313 Sherman Street, Room 620
Denver, Colorado 80203
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DEPARTMENT OF
NATURAL
RESOURCES

October 12, 1994

Roy Romer
Governor

James S. Lochhead
Executive Director

Max Vezzani
Director

W. R. Murfin
d/b/a Murfin Drilling Co.
250 No. Water, Ste. 300
Wichita, KS 67202

Re: Colorado Oil and Gas Lease No. 76/1204-S
Colorado State 1-20, NW/SE, Sec. 20-19S-47W, Kiowa Cnty.

Gentlemen:

The royalty payments received on the above well have been very minimal since December 1993 -- \$816.88. Please let us know what your intentions are for this well within the next few weeks so that a determination can be made as to the lease status before the anniversary date of December 15th.

This well can either be plugged or shut-in. If shut-in, a shut-in royalty of \$960.00 is due **in addition to the annual rental**. Each year's shut-in royalty shall be forfeited to lessor, except for the shut-in royalty paid for the year during which the well begins production.

We will anticipate an early response.

Sincerely,

Bobbie Mobley
Royalty Management

bvm
cc: File
OGCC

RECEIVED

OCT 13 1994

COLO. OIL & GAS CONS. COMM.