



October 27, 1988

TT

Mr. James McKee
Colorado Oil and Gas Conservation Commission
1580 Logan Street, No. 360
Denver, Colorado 80203

Re: Schmeekle 1-10
Schmeekle 2-1

Dear Mr. McKee:

Enclosed are Certificate of Deposit Nos. 9000137233 and 9000137246 in the amount of \$5,000.00 each to insure performance under Regulations No. 304 and 319 on the referenced wells. It is our understanding that these CD's will be deposited for safekeeping with your Treasury Department. Please note that these CD's will mature October 16, 1989, at which time we will reassess the economics of these wells.

Thank you for your help and cooperation in getting this matter resolved.

Please return the expired Letter of Credit Nos. 8003954-200 and 8003954-201 which these Certificates of Deposit replace.

Sincerely,

Beverly W. Parker
Beverly W. Parker
Controller

kds

Enclosures

cc Ms. Jill Hachtel
MBank Dallas

Returned

10-28-88

Jm

RECEIVED

OCT 28 1988

COLO. OIL & GAS CONS. COMM.



A Momentum Bank
Dallas, Texas 75265

Renewable Non-Renewable
 Non-Negotiable Negotiable
Issue Date 10-16-88
Maturity Date 10-16-89

MPACT CERTIFICATE OF DEPOSIT

NO **9000137233**

Acct. No. **9000137233**

This certifies that ****COLORADO OIL & GAS CONSERVATION COMMISSION-STATE OF COLORADO AND TERRAPET****
****ENERGY CORPORATION**** has deposited in this bank

MBank 5,000.00
DALLAS N.A.

Dollars \$5,000.00

Payable to such depositor in current funds for the period of time and at the rate of interest determined by the bank and permitted by regulation with simple compound daily interest at fixed variable rate of 8.20 % per annum. Unless otherwise instructed by owner, this certificate will be automatically renewed at maturity. At maturity or on any renewal maturity the bank may redeem this certificate. **REDEEMED ONLY ON THE RETURN OF THIS CERTIFICATE PROPERLY ENDORSED.**
INTEREST PAYABLE EVERY 30 DAYS

Teller's Initials _____

AUTHORIZED SIGNATURE

No interest will be paid after maturity.