

United States Department of the Interior

MINERALS MANAGEMENT SERVICE

Royalty Management Program P.O. Box 25165 Denver, Colorado 80225-0165

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Dear Operator:

In our "Dear Operator Letter" dated August 30, 2000, the Minerals Management Service (MMS) notified you of specific onshore Federal lease(s) in Wyoming that were selected to participate in a Royalty in Kind (RIK) program beginning October 1, 2000. After further evaluation, we determined that several of these properties involved trucked wells and should not participate in the RIK sale.

The properties shown in the enclosure will be payable in value rather than in kind effective October 1, 2000, in accordance with applicable lease requirements and regulations. You must continue to report crude oil production and royalties to MMS on the Oil and Gas Operations Report (OGOR) or the Monthly Report of Operations (Form MMS-3160) and Report of Sales and Royalty Remittance (Form MMS-2014) under current requirements and frequencies as specified in MMS regulations. Please notify the appropriate working interests of the changes in royalty status for these leases.

Please visit our website at www.rmp.mms.gov/RIKweb/documentsdoc/documents.htm for information regarding properties participating in RIK sales.

Sincerely,

Theresa Walsh Bayani
Manager, Royalty in Kind

Oil Operations

Enclosure

Oct. 1, 2000 to March 31, 2001

Line Code	Federal/State Lease/Agree No.	Pipeline	Unit or Field Name	(Sorted by) Operator	Winning Bidder
B7226	0490745360	Marathon	BRENT FEDER 1	CAROL HOLLY OIL CORP	EOTT
B1100	892000365C	Amoco	LITTLE BUFFALO ENBAR 274,100	CITATION OIL AND GAS CORP	EOTT
B1101	892000365A	Amoco	LBUF BASIN DEEP SAND- MUDDY	CITATION OIL AND GAS CORP	EOTT
B1102	892000365D	Amoco	LBUF BASIN DEEP SAND- TENSLEEP	CITATION OIL AND GAS CORP	EOTT
B1103	892000365E	Amoco	LITTLE BUFFALO NW DOME	CITATION OIL AND GAS CORP	EOTT
B1105	0640456330	Amoco	LITTLE BUFFALO USA #10	CITATION OIL AND GAS CORP	EOTT
PSW2900	8910181480	Belle Fourche	TRIANGLE U	CITATION OIL AND GAS CORP	Teppco
PSW4454	6910006640	Belle Fourche	PINE TREE, SHANNON	DEVON ENERGY CORP (NEVADA)	Teppco
PSW4424	0490301850	Belle Fourche	THUNDER CREEK F SCHOOL CREEK	DNR OIL & GAS INC.	Teppco
PSW4425	0490307160	Belle Fourche	FEDERAL #1-L4 SCHOOL CREEK	DNR OIL & GAS INC.	Teppco
PSW4434b	0490720080	Belle Fourche	SCHOOL CREEKTXC FED 10-32 12-32	DNR OIL & GAS INC.	Teppco
PSW4419	0490091850	Belle Fourche	WELL DRAW 1-23, 2-23, 2-13, 14-13	FLYING J OIL & GAS INC	Teppco
PSW4429	0490441750	Belle Fourche	CAMBELL FED BATTERY SCOTT	FLYING J OIL & GAS INC	Teppco
PSW4434a	0490720080	Belle Fourche	SCHOOL CREEKTXC FED 10-32 12-32	KENNEDY OIL	Teppco
B7298	064073809A	Amoco	SOUTH SPRING CREEK 34G	MARATHON OIL COMPANY	EOTT
PSW4510	W 115092X	Belle Fourche	NORTH CARSON (MUDDY)	NORTH FINN	Teppco
PSR9118	0491253290		BOOTHILL FED 1-1A	TREND EXPLORATION COMPANY	88 Oil
PSR9119	0491285530	Belle Fourche	BOOTHILL FED 6-1A	TREND EXPLORATION COMPANY	88 Oil
B9212	0490609470	Marathon	TEMAGAMI 23-7, GOVT 23-8 FISBY SOUTH	WHITING PETROLEUM CORP.	EOTT
PSW4413	0483143040	Belle Fourche	TAYLOR UNIT #1	WOLD OIL PROPERTIES INC.	Teppco