



United States Department of the Interior

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

IN REPLY REFER TO

MMS/MRM/RIK
Mail Stop 330G5

Federal Express
Overnight Delivery

APR 27 2001

Dear Operator:

In our "Dear Operator Letter" dated February 18, 2000, the Minerals Management Service (MMS) notified you of specific offshore Gulf of Mexico leases that were selected to participate in a Small Refiner Royalty in Kind (RIK) Program. A subsequent letter dated February 6, 2001, notified you that the current Small Refiner RIK contracts terminate effective May 31, 2001.

This correspondence is to inform you that the MMS will continue taking crude oil in kind from the properties identified in the February 18, 2000, letter under the Small Refiner or other RIK program until you are notified otherwise. We will inform you of any changes regarding MMS purchasers, agents, or new RIK contracts as appropriate.

Please forward a copy of this letter to all payors and working interest owners. All terms, procedures, and conditions of the letter dated February 18, 2000, remain in effect for the properties listed in the enclosure of that letter. Any subsequent modifications to the February 18, 2000, letter also remain in effect.

Please contact Crystel Tobar at (303) 275-7282 or Herbert Buskirk at (303) 275-7292 if you have any questions.

Sincerely,

Milton K. Dial
Assistant Program Director
for Royalty in Kind