

August 12, 2004

Dear Operator:

The Minerals Management Service (MMS) has recently changed purchasers on several properties that are being taken in kind. Per the "Dear Operator Letter" dated February 13, 2004, we are notifying you of these purchaser changes. The enclosed listing reflects the MMS designated purchasers effective October 2004. All terms and conditions of the August 14, 2002 remain in effect for these properties.

If you have any questions please call Sheila Perry at 303-231-3610.

Enclosure

**Listing of Properties
Royalty-in-Kind
Effective October 1, 2004**

Enclosure

Line Code	Lease or Agreement Number	Lease or Agreement Name	Operator	Oil Type	Pipeline/Trucked	Purchaser
PSW1601	84687U9690	House Creek (Sussex)	Devon Energy	SC	Belle Fourche	88 OIL
PSW1900	W 106652X	N. Buck Draw	Merit Energy	SC	Black Hills Trucking	88 OIL
PSW4200	048042194A	Coyote Creek, Buttram Govt 2	True Oil	SC	Belle Fourche	88 OIL
PSW4300	048011357C	Coyote Creek, Pacific Oil 2	True Oil	SC	Belle Fourche	88 OIL
PSW4400	State/Fee Unit 2	Gleason State	True Oil	SC	Belle Fourche	88 OIL
PSW4479	8910210470	Powell Press. Maint. Unit	Merit Energy	SC	Black Hills Trucking	88 OIL
PSW4517	W 142503A	African Swallow	Lario Oil & Gas	SC	Belle Fourche	88 OIL
PSW4600	891015482E	Pine Tree	Devon Energy	SC	Belle Fourche	88 OIL
PSW4700	W 123877X	Sand Dunes (Muddy)	Merit Energy	SC	Belle Fourche	88 OIL
PSW4505	W 114211X	House Creek North	Medicine Bow	SC	Bridger	88 OIL
PSW1300	8910194240	Hartzog Draw	XTO Energy	SC	Belle Fourche	88 OIL
PSW4000	801000312B	Salt Creek (Lou)	Howell Petroleum	SC	Rocky Mountain	Teppco
B7276	8920004390	Elk Basin (Madison)	Howell Petroleum	ASC	Clear Fork	Nexen
B7277	892000439A	Elk Basin (Emb.-Ten.)	Howell Petroleum	ASC	Clear Fork	Nexen
B4000	891000463A	Cottonwood Creek (Phos)	Continental Resources	ASC	Cottonwood Creek Inc.	Nexen
B3101	891012527A	Byron	Marathon	ASC	Red Butte	Nexen
B3103	891002438A	Byron Pre-Tensleep, Amsden Pa	Marathon	ASC	Red Butte	Nexen
B3102	891002438B	Byron Pre-Tensleep, Madison Pa	Marathon	ASC	Red Butte	Nexen
B0300	W 112017X	Enigma (See Note Below)	Citation O&G	ASC	Red Butte	Nexen
B0500	892000174A	Garland	Marathon	ASC	Red Butte	Nexen
B1002	892000185C	Garland (Tensleep)	Marathon	ASC	Red Butte	Nexen
B0600	8920003630	Gebo	Phoenix Production	ASC	Red Butte	Nexen
B5000	892000223A	Gooseberry "A"	Westport O&G	ASC	Red Butte	Nexen
B5100	892000223B	Gooseberry "B"	Westport O&G	ASC	Red Butte	Nexen
B0710	W 150174X	Grass Creek	Marathon	ASC	Red Butte	Nexen
B1004	0640446940	Kinney Coastal 012	Marathon	ASC	Red Butte	Nexen
B1005	0640447690	Kinney Coastal 051,052	Marathon	ASC	Red Butte	Nexen
B1000	892000185A	Kinney Coastal Garland - Mad "B"	Marathon	ASC	Red Butte	Nexen
B1001	892000185B	Kinney Coastal Garland - Embar	Marathon	ASC	Red Butte	Nexen
B1003	892000185E	Kinney Coastal Garland - Mad "A"	Marathon	ASC	Red Butte	Nexen

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B7100	064043977A	Kinney Coastal Garland 78Ea	Marathon	ASC	Red Butte	Nexen
B6000	892000559A	Oregon Basin-N. Chugwater Pa	Marathon	ASC	Red Butte	Nexen
B6100	892000559B	Oregon Basin-S. Chugwater Pa	Marathon	ASC	Red Butte	Nexen
B6200	892000559C	Oregon Basin (N. Embar)	Marathon	ASC	Red Butte	Nexen
B6300	892000559D	Oregon Basin (S. Embar)	Marathon	ASC	Red Butte	Nexen
B6400	892000559E	Oregon Basin (N. Madison)	Marathon	ASC	Red Butte	Nexen
B6500	892000559F	Oregon Basin (S. Madison)	Marathon	ASC	Red Butte	Nexen
GR001	891016173B	Painter Reservoir	Chevron USA	SC	Rocky Mountain	Nexen
GR013	8910161730	Painter Reservoir	Chevron USA	SC	Rocky Mountain	Nexen
GR008a	891004736E	Green River Bend	Chevron USA	SC	Rocky Mountain	Nexen
GR008b	891004736E	Green River Bend	EOG Resources	SC	Rocky Mountain	Nexen
GR015	0490106820	Big Piney	EOG Resources	SC	Rocky Mountain	Nexen
GR024	0490106760	Big Piney	EOG Resources	SC	Rocky Mountain	Nexen
GR016	8920003200	North Labarge Shallow	EOG Resources	SC	Rocky Mountain	Nexen
GR017	W 146018X	Burly (Mesaverde)	EOG Resources	SC	Rocky Mountain	Nexen
GR018b	0491277490	Stud Horse Butte	BP America	SC	Rocky Mountain	Nexen
GR030a	891003856C	Dry Piney	Wexpro	SC	Rocky Mountain	Nexen
GR030b	891003856C	Dry Piney	ExxonMobil Corp	SC	Rocky Mountain	Nexen
GR030c	891003856C	Dry Piney	EOG Resources	SC	Rocky Mountain	Nexen