

Mid Case

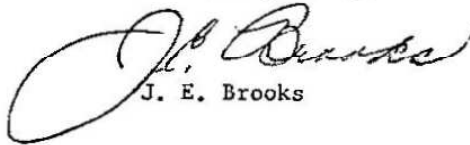
Estimated eventual controlled price - \$7.00 per barrel

5% overriding royalty to City	-	\$ 8,750,000
Residents - 1/6 royalty	-	29,100,000
City lease royalty	-	<u>1,400,000</u>
Total:		\$39,250,000

The above figures are intended for order of magnitude purposes and, you will note, do not include the various other economic benefits outlined in our May 18, 1973 letter, such as mineral taxes, School District benefits, etc. It seems obvious, however, that the ultimate benefits to all concerned will be substantially higher than our original estimates and, hopefully, will persuade your Honorable City Council to give early and affirmative consideration to our drillsite proposal.

We would very much appreciate hearing from you at your early convenience with respect to the status of our firm offer of April 30, 1973.

Yours very truly,



J. E. Brooks

JEB:md

PW 02689