

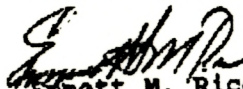
of acquiring them in most instances. Therefore, based upon the fact that 150 potential defendants per mile were identified for the first eight miles, and considering the fact that most of the presently-identified oil and gas deposits occur within the first thirty linear miles of the river, we conservatively estimate that about 100 potential defendants per mile will be identified, on the average, for the 96-mile segment. It is therefore our best estimate that approximately 9,600 potential defendants will be identified by the time the initiative is completed.

When we sent out more than 1,200 notice letters for the first eight river miles we had expected a large number of responses, perhaps even a majority, disclaiming any interest. Although we did receive a number of disclaimer letters and calls, only about 25% of those receiving letters responded with disclaimers. We suspect that this was because of the highly-fractionated minerals ownership that is common in Oklahoma which is passed down by devise and succession over successive generations. Severed minerals interests do not lapse and revert to surface ownerships because of non-production as they do in some states.

It is therefore our best estimate that we will be litigating with approximately 7,200 (75% of 9,600) defendants over the entire 96-mile segment in approximately 600 to 800 separate lawsuits.

If we can be of further assistance, please advise.

Sincerely yours,



Emmett M. Rice
Assistant Regional Solicitor

cc: Bob Rabon
James Wilcoxen
Regional Solicitor