Dear Payor:

The Navajo Nation (Tribe) is implementing a lockbox agreement with Citibank in Phoenix, Arizona (Bank). The lockbox will serve as a depository for the Tribe's producing oil and gas lease revenues. Accordingly, beginning July 1, 1993, checks you currently submit to the Minerals Management Service (MMS) for Tribal leases must be made payable to the Navajo Nation and mailed to:

The Navajo Nation
P.O. Box 52543
Phoenix, Arizona 85072

The Bank will also receive your Electronic Funds Transfer (EFT) payments for the Tribe. Please use American Bankers Association No. (routing number) 122102653 and Account No. 6008301569 when paying via EFT. Your EFT transmission, as well as any checks you submit, must also include your Payor Code and payor-assigned document number (3a number).

Navajo Tribal oil and gas rent and royalty payments on "standard" producing leases must be sent to the lockbox. Forward the applicable Report of Sales and Royalty Remittance, (Form MMS-2014), to the Minerals Management Service recording Payment Method 07. These payment and reporting procedures must be utilized by your company beginning July 1, 1993.

The implementation of the lockbox deposit account will not affect the procedures currently in place for paying and reporting rents and royalties for Navajo Allotted leases.

Please note that you will be required to submit a second payment to MMS for any Navajo Allotted amounts that you erroneously send to the lockbox. You will be responsible for requesting a refund of your first payment from the Tribe. You will also be assessed late payment interest if the second payment is received at MMS after the original due date. Please take the necessary care to ensure that Navajo Allotted payments are sent to MMS.
Implementation of the lockbox agreement also will not affect any direct payments you are currently making to the Tribe for "nonstandard" leases (e.g., net profit share or joint venture revenues). Continue to send those payments directly to the Tribe with applicable reports sent to MMS.

If you have any questions about these instructions, please call Mr. Mark Prouhet, Chief, Indian Distribution and Disbursements Section, at (303) 231-3444.

Sincerely,

[Signature]

James R. Detlefs
Chief, Royalty Accounting Division