

COMPTROLLER OF PUBLIC ACCOUNTS

P.O. BOX 13528 AUSTIN, TX 78711-3528

July 30, 2003

«Company» «Address1» «City», «State» «PostalCode»

Dear Taxpayer:

Because the General Land Office has certified that the Coastal Protection (Fund) has reached the maximum balance allowed by law, the Coastal Protection Fee will be suspended effective September 1, 2003. Crude oil transferred through a marine terminal on or after September 1 will not be subject to the fee.

Your August 2003 return will be due on September 30, 2003, and is the last return to be filed until the fee is reinstated. Although you will not need to file returns while the fee is suspended, please let us know of any changes in your business operations, such as changes in ownership or mailing address, or acquisition of new terminals.

If the balance in the Fund falls below the legal minimum, we will notify you that the fee has been reinstated.

If you have any questions, please call toll free 1-800-252-1384 or, in Austin, call 463-4600. Hearing impaired customers may call 1-800-248-4099 from a Telecommunications Device for the Deaf (TDD); the local TDD number is 463-4621.

Sincerely,

Syant Yomay