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May 10, 1999

VIA FACSIMILE AND U.S. MAIL

Peter Kaufman, Esq.
Deputy Attorney General
For the State of California
110 West "A" Street
Suite 1100
San Diego, California 92101

Re: Chiate/Wildman Easement; Settlement Agreement

Dear Peter:

I am writing on behalf of my client, Mr. Frank Mancuso, to terminate the Settlement Agreement in accordance with the provisions of Section VII.1 thereof. Pursuant to the terms of the Section VII.1, the parties have no further obligations under the Settlement Agreement except as expressly provided therein. Mr. Mancuso continues to reserve all rights and remedies not explicitly released pursuant to Section V.1 of the Settlement Agreement.

In accordance with Section IV.2 of the Settlement Agreement, please provide direct mail notice regarding future matters pertaining to the Chiate/Wildman easement to:

Mr. Frank Mancuso
1201 Bel Air Road
Los Angeles, California 90077

as well as

Allan J. Abshez, Esq.
Irell & Manella
1800 Avenue of the Stars, Suite 900
Los Angeles, California 90067

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Please do not hesitate to contact me if you have any questions or comments.

Very truly yours,



Allan J. Abshez

AJA:jrb
Enclosures

cc: Mr. Frank Mancuso
Mr. William Ahern
Jonathan Horne, Esq.