
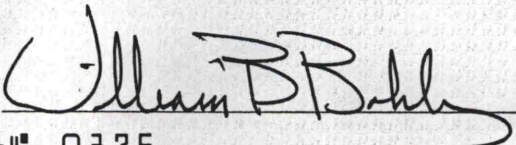


1991

JONES, WALDO, HOLBROOK		11-84	375
& McDONOUGH			
170 S. MAIN 1500 FIB PLAZA		APRIL 8,	1991
SALT LAKE CITY, UT 84101			31-2/1240
PAY TO THE ORDER OF IDA ROSE HALL		\$	17,539.94
SEVENTEEN THOUSAND FIVE HUNDRED THIRTY-NINE AND 94/100		DOLLARS	
 First Interstate Bank	First Interstate Bank of Utah, N.A. Main Office 180 South Main Street Salt Lake City, Utah 84101		
FOR			
⑆ 124000025⑆ 02 05402 ⑆ 0375			

FIRST INTERSTATE - IMAGE BUFF

JONES, WALDO, HOLBROOK & McDONOUGH

A PROFESSIONAL CORPORATION

ATTORNEYS AND COUNSELORS

April 8, 1991

SALT LAKE CITY OFFICE

1500 FIRST INTERSTATE PLAZA
170 SOUTH MAIN STREET
SALT LAKE CITY, UTAH 84101
TELEPHONE (801) 521-3200
FAX (801) 328-0537

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THE TABERNACLE TOWER BLDG.
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PARK CITY OFFICE

347 MAIN STREET
P. O. BOX 4065
PARK CITY, UTAH 84060
TELEPHONE (801) 645-8749

IN REPLY REFER TO:

Salt Lake City

VIA CERTIFIED MAIL

Ida Rose Hall
c/o David R. Hall
738 East 2680 North
Provo, UT 84604

Re: Disbursement of Judgment in Horton, et al., v. Smith
International, Inc.

Dear Former Megadiamond Shareholder:

Enclosed is a check representing the final portion of Smith International's ("Smith") payment of the judgment in the above-noted matter. We have also enclosed an itemized accounting for the disbursement of this judgment. Please note that while attorneys' fees and costs were deducted from the first disbursement, no similar deduction has been made from the second disbursement.

Though we have continued to accrue fees in representing you in Smith's pending appeal, we have already recently reached an agreement with Smith for payment of attorneys' fees and costs in the amount of \$90,000. Once this amount is received, we will draw on it for the fees and costs incurred for the appeal with the remaining amount being returned to each former shareholder based on their proportionate ownership interest. Finally, ultimate success in this appeal should allow us to seek attorneys' fees and costs associated with it.

If you have any questions regarding the accounting provided or other aspects of this matter, please do not hesitate to call us or Duane Horton.

Kindest regards.

Very truly yours,

JONES, WALDO, HOLBROOK & McDONOUGH

Jeffrey N. Walker

Enclosures
jnw 392/ab