

September 14, 1999

M. Elaine Meyers
Jenkins & Gilchrist
Fountain Place
1445 Ross Place, Suite 3200
Dallas, Texas 75202-2799

Re: American Rivers Oil Company
No Action 99-010

Dear Ms. Meyers:

The Department acknowledges receipt of your letter, dated August 27, 1999, regarding the related transactions involving the reincorporation of American Rivers Oil Company ("American") from a Wyoming corporation to a Delaware corporation and an offer by the new Delaware corporation to acquire all of the shares of Alliance Resources Plc ("Alliance"), wherein you request confirmation that the staff will recommend that the Commissioner take no action to enforce the registration provisions of the Arkansas Securities Act (the "Act"), with respect to the transactions. The facts of the proposed transactions, as understood from your letter, are briefly stated below.

Alliance, a United Kingdom company, has entered into an agreement with American, the Wyoming corporation, by which American (Wyoming) will reincorporate into Delaware by merging into a newly formed subsidiary and the new Delaware company will simultaneously offer to acquire all of the shares of Alliance. Both transactions are contingent on the completion of the other. When the transactions are completed, the new Delaware company will own indirectly all of the assets and business of both American (Wyoming) and Alliance. The reincorporation of American (Wyoming) to Delaware must be approved by the vote of its shareholders. Counsel has represented that the U.K. has no concept comparable to the merger of two public companies. Therefore, to accomplish the same result, counsel has suggested that American make an exchange offer to the shares of Alliance. Under U.K. law, the share exchange must be accepted by a majority of the shareholders of Alliance in order for the transaction to occur. Currently, Alliance has one (1) shareholder in Arkansas, owning a total of 688 shares of common stock. American (Wyoming) has seven (7) shareholders in Arkansas. Based upon these facts, you feel that even though the share exchange aspect of this transaction does not literally fall within the class vote exemption for mergers found under Rule 504.01(g) of the Rules of the Arkansas Securities Commissioner, it does conform to the spirit of the exemption because none of the shares will be exchanged unless the holders of at least a majority of Alliance's shareholders accept the offer.

Based upon the opinions and representations contained in your letter, the Department will recommend that the Commissioner take no action to enforce the registration provisions of the Act if the Program is sold in the manner described in your letter. Please note that the position of the Department is based solely upon the representations in your letter and applies only to the transactions identified therein. Different facts or circumstances might, and often would, require a different response. The position expressed deals only with anticipated enforcement action by the Department and does not purport to be a legal opinion.

If you have any questions regarding this matter, please contact the undersigned.

Sincerely,

Ann McDougal
Deputy Commissioner