

GOLF ENTERPRISES, INC.

2951 28th Street

Santa Monica, California 90405

(310) 315-4200

May 2, 1997



VIA TELECOPY (702) 386-1749  
& U.S. MAIL

John Redlein  
Chief Deputy City Attorney  
City of Las Vegas  
400 E. Stewart Avenue  
91th Floor - City Hall  
Las Vegas, NV 89101

**Re: Las Vegas Golf Club**

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MAY 5 1997  
ADD

Dear Mr. Redlein:

I am writing this letter in response to your April 17, 1997 letter to me.

First and foremost, I want to emphasize that we continue to be very enthusiastic about the operations at Las Vegas Golf Club. We have, for some time, expressed our desire to meet with the appropriate representatives of the City to discuss ideas we have to improve the financial performance of the Las Vegas Golf Club. Those ideas include, among other things a proposal for significant capital improvements at the facility. We urge the City to pursue these discussions. We believe that if the City works with us, we can improve the future prospects of the Las Vegas Golf Club for both our organization and the City of Las Vegas.

In your April 17, 1997 letter you state that Golf Enterprises, Inc. has never leased a golf course from the City of Las Vegas. I agree with this statement. I want to clarify the structure of the Golf Enterprises organization so that there is no misunderstanding.

The original Golf Course Management Agreement covering the Las Vegas Golf Club was entered into on November 5, 1980 between the City of Las Vegas and Colbert-Fogler Golf Enterprises, Inc. That agreement was amended pursuant to amendments dated August 3, 1983, July 3, 1991, April 15, 1992 and April 21, 1993. Beginning with the July 3, 1991 amendment and in each amendment thereafter, the manager is referred to as Colbert-Fogler Golf Enterprises, Inc., a Nevada corporation, now Jim Colbert Golf, Inc.

John Redlein

May 2, 1997

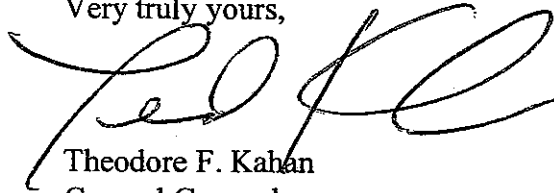
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Cobert-Fogler Golf Enterprises, Inc. is an active Nevada corporation that is wholly owned by Jim Colbert Golf, Inc. Jim Colbert Golf, Inc. is also an active Nevada corporation that is wholly owned by Golf Enterprises, Inc. Golf Enterprises, Inc. is an active Kansas corporation.

In my March 6, 1997 letter to you I described a transaction which took place at the Golf Enterprises, Inc. level. As I explained, that transaction resulted in David Price becoming the 100% owner of the shares of stock of Golf Enterprises, Inc. I want to make sure that you understand that that transaction had no effect on the stock ownership of Jim Colbert Golf, Inc., which continues to be a wholly owned subsidiary of Golf Enterprises, Inc. nor did it have any impact on the ownership of Cobert-Fogler Golf Enterprises, Inc. which continues to be a wholly owned subsidiary of Jim Colbert Golf, Inc.

Please call me if you have any questions about this matter.

Very truly yours,



Theodore F. Kahan  
General Counsel

TFK:jl

cc: David G. Price