

Edgar Filing: CabelTel International Corp - Form 8-K

for the benefit of the Company of the oil and gas leases owned by the two limited liability companies named Gaywood Oil and Gas I LLC ("Gaywood I") and Gaywood Oil & Gas II LLC ("Gaywood II"), both Nevada limited liability companies. Pursuant to such Purchase Agreement, Messrs. Johnson as "Buyers" paid to the Company an aggregate purchase price of \$1,737,000. In addition, the Messrs. Johnson executed and delivered to the Company two non-interest bearing promissory notes, each in the amount of \$50,000 in connection with certain obligations of the Messrs. Johnson to hold the Company harmless from any drawings upon two separate letters of credit scheduled to expire November 29, 2006 and March 31, 2007, respectively. The Purchase Agreement was effective and closed at substantially the same time.

Item 2.01. Completion of Acquisition or Disposition of Assets

See Item 1.01 above for a description of the Purchase Agreement, pursuant to which the Company on July 5, 2006 sold to two individuals all of the membership interests in Gaywood I and Gaywood II which owned and operated oil and gas leases in Gregg and Rusk Counties, Texas, on which 50 producing wells were operating as of March 31, 2006. The consideration given in payment for the interests sold was cash in the amount of \$1,737,000 plus two non-interest bearing \$50,000 promissory notes in support of certain letters of credit which will expire November 29, 2006 and March 31, 2007, respectively. The purchasers are two individuals who have been involved in the operation of the oil and gas properties for the benefit of the Company.

The Company issued a Press Release concerning the disposition and its effects upon the Company which is attached as an exhibit.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits.

The following exhibit is furnished with this Report:

Exhibit Designation	Description of Exhibit
99.1*	Press Release dated July 6, 2006

*Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly-caused this Current Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly-authorized.

Dated: July 10, 2006

CABELTEL INTERNATIONAL CORPORATION

/s/ Gene S. Bertcher

By:

Gene S. Bertcher, President and Chief
Financial Officer