NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87805 (505) 827-7131

October 30, 1997

Claude Smitht N NOV 30-045-08442 OIL GO

Four Corners Insurance 202 South Main Aztec, NM 87410

Attention: Sheri R. Foss

Re: \$10,000 One-Well Plugging Bond

Earnest R. Smith, Sr., Principal

Far West Insurance Company, Surety Claude Smith No. 1 - 790' FSL and

790' FWL of Section 8, Township 29 North,

Range 11 West, San Juan County, NM

Bond No. 034000038

Dear Ms. Foss:

The New Mexico Oil Conservation Division hereby approves the above-captioned one-well plugging bond.

Sincerely,

WILLIAM J. LEMAY

Director

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cc: Oil Conservation Division - Azted

Far West Insurance Company P.O. Box 4500

Woodland Hills, CA 91365-4500