
305 Madison Avenue
Morristown, NJ 07960
973-490-6600

February 7, 2002

CERTIFIED-Return Receipt Requested #Z 0662 3183 and Regular Mail

Cecil Lee Overcast
Hwy 380 W
P.O. Box 306
Tatum, NM 88267

RE: Principal: Cecil Lee's Company
Bond #: 610-031501
Obligee: State of New Mexico
Energy, Minerals and Natural Resources Department

Dear Mr. Overcast:

While Cecil Lee's Company was operating wells:

Cecil Lee's Company Landreth State No. 1 API No. 30-025025595
Cecil Lee's Company Crossroad Devonian Unit No. 1 API No. 30-025-20735
the Westchester Fire Insurance Company bonded you under a Plugging bond.

The bond was canceled December 26, 1984 for future liability. The State of New Mexico believes these wells were acquired, started or drilled during the period of our bond. They are now calling for the wells to be plugged.

A hearing is scheduled for February 21, 2002. The Surety would like to be assured that you will attend the hearing and correct whatever deficiencies need to be corrected.

We wish to point out that in the event the Westchester Fire Insurance Company pays any loss as claimed under your bond, the company will succeed to all rights which the obligee the State of New Mexico, would have against you arising out of the circumstances charged.

In the event we do not hear from you on or before February 14, 2002, we will assume you will not attend the hearing. In that case the surety will be forced to hire legal counsel to attend the hearing to protect its interests.

All fees accrued for this hearing, any loss or expenses paid by the bonding company, involved with settling this matter, will be the responsibility of Cecil Lee Overcast per the conditions of the bond.

I look forward to hearing from you.

February 7, 2002
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Sincerely,

Jim Rochotte
Bond Claim Consultant
United States Fire Insurance Company

✓cc: David K. Brooks. Asst. General Counsel
NM Energy, Minerals and Natural Resources
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Pat, Claim Unit
Hartgraves Insurance
423 S. Main Street
Lovington, NM 88260

Jennifer Campbell

U.S. Postal Service
CERTIFIED MAIL RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

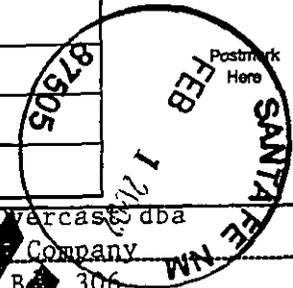
OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Sent To Cecil Lee Overcast dba
 Cecil Lee Company
 Street, Apt. No., or PO Box No. R. B. 306
 City, State, ZIP+4 Tatum, NM 88267

PS Form 3800, January 2001. Reverse for Instructions.

7001 1546 2004 7919 3436



U.S. Postal Service
CERTIFIED MAIL RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

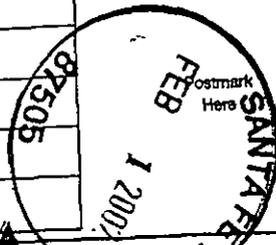
OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Sent To Westchester Fire Insurance Co.
 Street, Apt. No., or PO Box No. c/o Universal Bonding
 City, State, ZIP+4 518 Stuyvesant Avenue
 Lyndhurst, NJ 07711

PS Form 3800, January 2001. See Reverse for Instructions.

54HE 6T6L 4000 04BT 1002



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Westchester Fire Insurance Co.
 c/o Universal Bonding
 518 Stuyvesant Avenue
 Lyndhurst, NJ 07071

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee

B. Received by (Printed Name) *Luis Bernover* C. Date of Delivery *2/4/02*

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2.

PS