

OCD - 552

FORM 104-101-1 IN DIVISION

Form O & G PCB
Adopted 6-1-86

1987 / JUN 8 52

SINGLE WELL CASH BOND

Willow Creek Resources, Inc.

Know all men by these presents that Willow Creek Resources, Inc.
(an individual) (a partnership) (a corporation organized
in the State of Texas with its principal office at 3719 W Industrial (79702)
PO Box 1309 in the city of Midland, State of Texas 79702
and authorized to do business in the State of New Mexico) is held and firmly bound to
the Oil Conservation Division of the State of New Mexico (or its successor agency) in
the sum of \$ 10,000.00 (Ten Thousand and No/100*****), lawful money of
the United States.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

The above applicant/operator desires to drill a well, ~~or~~ purchase or operate an
existing well, the depth of which does not exceed 12,297 feet, to
prospect for and produce oil, gas, or carbon dioxide resources on land owned by
private individuals or the State of New Mexico, the particular identification and
footage location of said well being as follows: Maude Rickman Well #1
Eddy County in Section 3, Township
23S, Range 27E, NMPM, Eddy County, New Mexico.

The applicant has deposited on behalf of the Division \$ 10,000.00, in the manner
indicated on the attachment to this bond being the principal sum intended to be
secured. Applicant pledges this sum as a guarantee that it, its executors, assigns,
heirs or administrators shall plug the well described above if dry, or when abandoned,
in accordance with the rules and orders of the Oil Conservation Division of the State
of New Mexico in such way as to confine the oil, gas, and water in the strata in which
they are found, and to prevent same from escaping to other strata. If the applicant
does not so properly plug and abandon said well upon order of the Division, the total
sum of the bond shall be forfeited to the Division, and such amount as is necessary
may be used to properly plug said well. If the principal sum of this bond is less
than the actual cost incurred by the Division in plugging said well, the applicant,
its successors, assigns, heirs or administrators shall be liable under the provisions
of Section 70-2-38 NMSA (1978) of the Oil and Gas Act, and the Division may take
action, including the filing of legal proceedings, to recover any amounts expended
over and above the principal sum of the bond.

NOW THEREFORE, if the above applicant or its successors, assigns, heirs, or
administrators or any of them shall plug the above-described well when dry or
abandoned, in accordance with the rules, regulations, and orders of the Division, in
such a manner as to confine the oil, gas, and water in the strata in which they
naturally occur, and to prevent them from escaping into other strata, and further to
clean up the surface location of said well, then therefore, this obligation shall be
null and void and the principal sum shall be paid to the applicant, or its successors,
heirs, or administrator, otherwise it shall remain in full force and effect.

Willow Creek Resources, Inc.

P O Box 1309 PRINCIPAL
Midland TX 79702

Address

By Chris F. Bosecker

Signature

Chris F. Bosecker, President

Title

By _____

Case No. 13715
February 1, 2007

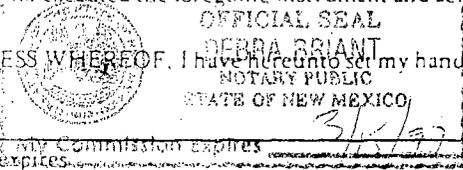
(Note: Principal, if corporation, affix corporate seal here.)

OCD Exhibit No. 3

ACKNOWLEDGEMENT FORM FOR NATURAL PERSONS

STATE OF New Mexico)
 COUNTY OF Lea) ss.

On this 26th day of Sept, 1995, before me personally appeared CHRIS F Bostoker President to me known to be the person (persons) described in and who executed the foregoing instrument and acknowledged that he (they) executed the same as his (their) free act and deed.



IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

Derra Briant
 Notary Public

My Commission expires 3/1/97

ACKNOWLEDGEMENT FORM FOR CORPORATION

STATE OF _____)
 COUNTY OF _____) ss.

On this _____ day of _____, 19____, before me personally appeared _____, to me personally known who, being by me duly sworn, did say that he is _____ of _____ and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

 Notary Public

My Commission expires _____

APPROVED BY:

OIL CONSERVATION DIVISION OF NEW MEXICO

By [Signature]

Date _____

Chaves, Eddy, Lea, McKinley, Rio Arriba, Roosevelt, Sandoval, and San Juan Counties, New Mexico:

<u>Projected Depth of Proposed Well or Actual Depth of Existing Well</u>	<u>Amount of Bond</u>
Less than 5,000 feet	\$ 5,000
5,000 feet to 10,000 feet	\$ 7,500
More than 10,000 feet	\$10,000

All Other Counties in the State:

<u>Projected Depth of Proposed Well or Actual Depth of Existing Well</u>	<u>Amount of Bond</u>
Less than 5,000 feet	\$ 7,500
5,000 feet to 10,000 feet	\$10,000
More than 10,000 feet	\$12,500