

RECEIVED

\$25,000.00 BOND FOR COMMERCIAL SURFACE WASTE DISPOSAL FACILITY

APR 21 1989

BOND NO. 111 3268 3654
(For Use of Surety Company)

OIL CONSERVATION DIV. with Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87504
SANTAFÉ NEW ALL MEN BY THESE PRESENTS:

That FRATES S. SEELIGSON, (an individual) (partnership) (a corporation organized in the State of _____, with its principal office in the City of San Antonio, State of Texas, and authorized to do business in the State of New Mexico), as PRINCIPAL, and NATIONAL SURETY CORPORATION, a corporation organized and existing under the laws of the State of Illinois, and authorized to do business in the State of New Mexico with duly appointed resident agent licensed in the State of New Mexico to execute this bond on behalf of the surety company, as SURETY, are held firmly bound unto the State of New Mexico, for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department pursuant to Chapter 72, Laws of New Mexico, 1935, as amended, and to the State of New Mexico in the sum of Twenty Five Thousand (\$25,000.00) Dollars lawful money of the United States for the payment of which, well and truly to be made, said PRINCIPAL and SURETY hereby bind themselves, their successors and assigns, jointly and severally, firmly by these presents.

The conditions of this obligation are such that:

WHEREAS, The above principal has heretofore or may hereafter enter into the collection, disposal or storage of produced water and/or other oil field related waste in Section _____, Township _____ (North) (South), Range _____ (East) (West), N.M.P.M., _____ County, New Mexico.

NOW, THEREFORE, This \$25,000 performance bond is conditioned upon substantial compliance with all applicable statutes of the State of New Mexico and all rules, regulations, and orders of the Oil Conservation Division of the Energy and Minerals Department, and upon clean-up of the facility site to standards of the Oil Conservation Division; otherwise the principal amount of the bond to be forfeited to the State of New Mexico.

PROVIDED, HOWEVER, That sixty (60) days after receipt by the Oil Conservation Division of written notice of cancellation from the Surety, the obligation of the Surety shall terminate as to activities or operations conducted by PRINCIPAL after said sixty (60) day period but shall continue in effect, notwithstanding said notice, as to such activities or operations conducted or commenced before the expiration of the sixty day period.

Signed and sealed this 10th day of April, 19 89.

FRATES S. SEELIGSON
PRINCIPAL
1604 NBC Building
San Antonio, Texas 78205
Mailing Address

NATIONAL SURETY CORPORATION
SURETY
105 S. St. Mary's, Suite 1800
San Antonio, Texas 78205
Mailing Address

By Frates S. Seeligson
Signature Title

By Loretta E. Garcia
Attorney-in-Fact
Loretta E. Garcia

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

(Note: Corporate surety affix corporate seal here.)

Note: If corporate surety executes this bond by an attorney-in-fact not in New Mexico, the resident New Mexico agent shall countersign here below.)

Countersigned by:

*In. re: White Lake Ranch
Roswell, New Mexico*

OCD Exhibit 5
Case No. 13167
October 9, 2003

New Mexico Resident Agent

Address

STATE OF Texas)
) ss.
COUNTY OF Bexar)

On this 10th day of April, 19 89, before me personally appeared Frates S. Seeligson, 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 he (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.

Charles S. HAMMON
Notary Public
Notary Public, Bexar County, Texas

10/31/91
My Commission Expires:

ACKNOWLEDGMENT FORM FOR CORPORATION

STATE OF _____)
) ss.
COUNTY OF _____)

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

STATE OF Texas)
) ss.
COUNTY OF Bexar)

On this 10th day of April, 19 89, before me appeared Loretta E. Garcia, to me personally known, who, being by me duly sworn, did say that he is Attorney-in-fact of National Surety Corporation 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.

Sharon L. Pace
Notary Public

7-31-92
My Commission Expires:

(Note: Corporate surety attach power of attorney)

APPROVED BY:
OIL CONSERVATION DIVISION

By [Signature]

NATIONAL SURETY CORPORATION

KNOW ALL MEN BY THESE PRESENTS: That NATIONAL SURETY CORPORATION, a Corporation duly organized and existing under the laws of the State of Illinois, and having its Home Office in the City of Chicago, Illinois, has made, constituted and appointed, and does by these presents make, constitute and appoint

GEORGE WRAY, GEORGE WRAY, JR., O. H. FINCK, J. BURTON BARNES, AUSTIN W. MOORE, MICHAEL N. VENSON, H. L. ROESLER, LORETTA E. GARCIA, ROBERT B. WRAY and RUTH E. DEVAGE SAN ANTONIO, TX jointly or severally

its true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, seal, acknowledge and deliver any and all bonds, undertakings, recognizances or other written obligations in the nature thereof

and to bind the Corporation thereby as fully and to the same extent as if such bonds were signed by the President, sealed with the corporate seal of the Corporation and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney(s)-in-Fact may do in the premises.

This power of attorney is granted pursuant to Article VIII, Section 29 and 30 of By-laws of NATIONAL SURETY CORPORATION now in full force and effect.

"Article VIII, Appointment and Authority Assistant secretaries, and Attorney-in-Fact and Agents to accept Legal Process and Make Appearances.

Section 29, Appointment. The Chairman of the Board of Directors, the President, any Vice-President or any other person authorized by the Board of Directors, the Chairman of the Board of Directors, the President or any Vice-President, may, from time to time, appoint Resident Assistant Secretaries and Attorneys-in-Fact to represent and act for and on behalf of the Corporation and Agents to accept legal process and make appearances for and on behalf of the Corporation.

Section 30, Authority. The Authority of such Resident Assistant Secretaries, Attorneys-in-Fact, and Agents shall be as prescribed in the instrument evidencing their appointment, and any such appointment and all authority granted thereby may be revoked at any time by the Board of Directors or by any person empowered to make such appointment."

This power of attorney is signed and sealed under and by the authority of the following Resolution adopted by the Board of Directors of NATIONAL SURETY CORPORATION at a meeting duly called and held on the 7th day of September, 1972, and said Resolution has not been amended or repealed:

"RESOLVED, that the signature of any Vice-President, Assistant Secretary, and Resident Assistant Secretary of this Corporation, and the seal of this Corporation may be affixed or printed on any power of attorney, on any revocation of any power of attorney, or on any certificate relating thereto, by facsimile, and any power of attorney, any revocation of any power of attorney, or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Corporation.

IN WITNESS WHEREOF, NATIONAL SURETY CORPORATION has caused these presents to be signed by its Vice-President.

and its corporate seal to be hereunto affixed this 13th day of August, 1984



NATIONAL SURETY CORPORATION

By: Michael Wilton, Vice-President

STATE OF CALIFORNIA,

CITY AND COUNTY OF SAN FRANCISCO

On this 13th day of August, 1984, before me personally came Richard Williams to me known, who, being by me duly sworn, did depose and say: that he is Vice-President of NATIONAL SURETY CORPORATION, the Corporation described in and which executed the above instrument; that he knows the seal of said Corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Corporation and that he signed his name thereto by like order.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year herein first above written.



Susie K. Gilbert, Notary Public

CERTIFICATE

STATE OF CALIFORNIA,

CITY AND COUNTY OF SAN FRANCISCO

I, the undersigned, Resident Assistant Secretary of NATIONAL SURETY CORPORATION, an ILLINOIS Corporation, DO HEREBY CERTIFY that the foregoing and attached POWER OF ATTORNEY remain in full force and has not been revoked; and furthermore that Article VIII, Sections 29 and 30 of the By-laws of the Corporation, and the Resolution of the Board of Directors, set forth in the Power of Attorney, are now in force.

Signed and sealed at the City and County of San Francisco, Dated the 10th day of April, 1989



Loretta E. Anstey, Resident Assistant Secretary



**FIREMAN'S FUND
INSURANCE COMPANIES**

RIDER

To be attached to and form part of Bond No. 111 3268 3654

in favor of Frates S. Seeligson

It is agreed that:

In consideration of no additional premium due, it is hereby agreed and understood that the following location is the description of the facility referred to:

Section 19, T-8-S, R-30-E
Section 24, T-8-S, R-29-E and
Section 19, T-8-S, R-29-E
all in Chaves County, New Mexico

This rider is effective as of noon on April 10, 1989, standard time as specified in the attached bond.

NATIONAL SURETY CORPORATION

By: Loretta E. Garcia
Authorized Agent

Loretta E. Garcia, Attorney-in-fact

Accepted:

Frates S. Seeligson
Insured

By: Frates Seeligson
Title