



STATE OF NEW MEXICO
ONE-WELL PLUGGING BOND

FOR CHAVES, EDDY, LEA, McKINLEY, RIO ARRIBA, ROOSEVELT,
SANDOVAL, AND SAN JUAN COUNTIES ONLY

BOND NO. 9SE064857
(For Use of Surety Company)
AMOUNT OF BOND \$5,000.00
COUNTY Chaves

NOTE: For wells less than 5,000 feet deep, the minimum bond is \$5,000.00*
For wells 5,000 feet to 10,000 feet deep, the minimum bond is \$7,500.00*
For wells more than 10,000 feet deep, the minimum bond is \$10,000.00

* Under certain conditions, a well being drilled under a \$5,000.00 or \$7,500.00 bond may be permitted to be drilled as much as 500 feet deeper than the normal maximum depth, i.e., a well being drilled under a \$5,000.00 bond may be permitted to go to 5,499 feet, and a well being drilled under a \$7,500.00 bond may be permitted to go to 10,500 feet. (See Rule 101)

File with Oil Conservation Commission, P. O. Box 2088, Santa Fe 87501

KNOW ALL MEN BY THESE PRESENTS:

That H. W. Pace, an individual, (An individual) (a partnership)
(a corporation organized in the State of Texas, with its principal office in the city of
Midland, State of Texas, and authorized to do business
in the State of New Mexico), as PRINCIPAL, and American Manufacturer's Mutual Insurance Co., a
corporation organized and existing under the laws of the State of Illinois,
and authorized to do business in the State of New Mexico, as SURETY, are held firmly bound unto the State of New
Mexico, for the use and benefit of the Oil Conservation Commission of New Mexico pursuant to Section 65-3-11, New
Mexico Statutes Annotated, 1953 Compilation, as amended, in the sum of Five Thousand (\$5,000.00)
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 oil and gas leases, or carbon dioxide (CO₂) gas leases, or
helium gas leases with the State of New Mexico; and

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or
helium gas leases on lands patented by the United States of America to private individuals, and on lands otherwise owned by private
individuals; and

WHEREAS, The above principal, individually, or in association with one or more other parties, has commenced or
may commence the drilling of one well not to exceed a depth of 5,000 feet, to prospect for and produce oil
or gas, or carbon dioxide (CO₂) gas or helium gas, or does own or may acquire, own or operate such well, or such well
started by others on land embraced in said State oil and gas leases, or carbon dioxide (CO₂) leases, or helium gas leases,
and on land patented by the United States of America to private individuals, and on land otherwise owned by private
individuals, the identification and location of said well being State Lease No. LG0160
330 ft. from S line & 660 ft. from E line (Here state exact legal subdivision by 40 acre tract or lot)
Section 30, Township 10S (North) (South), Range 27E (East) (West), N.M.P.M.
Chaves County, New Mexico.

NOW, THEREFORE, If the above bounden principal and surety or either of them or their successors or assigns, or any of them, shall
plug said well when dry or when abandoned in accordance with the rules, regulations, and orders of the Oil Conservation Commission 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 them from escaping into other
strata;

THEN, THEREFORE, This obligation shall be null and void; otherwise and in default of complete compliance with any and all of said
obligations, the same shall remain in full force and effect.

H. W. Pace
PRINCIPAL
P.O. Box 7435 Midland, Texas 79703
Address
By H. W. Pace
Signature
Owner
Title

American Manufacturers Mutual Insurance Co.
SURETY
20 N. Wacker Drive, Chicago, Ill. 60606
Address
By Robert E. Ferguson
Attorney-in-fact
ROBERT E. FERGUSON

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

(Note: Corporate seal here.)



ACKNOWLEDGEMENT FORM FOR NATURAL PERSONS

STATE OF New Mexico
COUNTY OF Eddy ss.

On this 13th day of September, 19 79, before me personally appeared H. W. Pace, 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.

November 19, 1979
My Commission expires

Margaret J. Belshé
Notary Public

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

ACKNOWLEDGEMENT FORM FOR CORPORATE SURETY

STATE OF New Mexico
COUNTY OF Eddy ss.

On this 13th day of September, 19 79, before me appeared Robert E. Ferguson, to me personally known, who, being by me duly sworn, did say that he is Attorney-in-fact of American Manufacturers Mutual Insurance Co. 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.

November 19, 1979
My Commission expires
(Note: Corporate surety attach power of attorney.)

Margaret J. Belshé
Notary Public

APPROVED BY:

OIL CONSERVATION COMMISSION OF NEW MEXICO

By Joe V. [Signature]

Date _____



POWER OF ATTORNEY

Serial No. **A 2309**

Dated **December 14, 1977**

KNOW ALL MEN BY THESE PRESENTS:

That the AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY, a corporation organized and existing under the laws of the State of Illinois, and having its principal office in the Village of Long Grove, Illinois, does hereby appoint

ROBERT E. FENUSON
ROBERT E. FENUSON II

its true and lawful agent(s) and attorney(s)-in-fact, to make, execute, seal, and deliver during the period beginning with the date of issuance of this power and ending December 31, 1982, unless sooner revoked for and on its behalf as surety, and as its act and deed:

ADMINISTRATORS & EXECUTORS BONDS, provided the amount of no one bond exceeds \$50,000 when bond amount is double the appraised value of all personal property of the estate, otherwise \$25,000 (NO AUTHORITY granted where estate involves a going business or where Principal had prior custody of assets or where Principal is indebted to the estate or where a bond was previously filed for the same estate); LICENSE & PERMIT BONDS, provided the amount of no one bond exceeds \$10,000 (NO AUTHORITY granted for bonds involving financial guarantees, credit guarantees or the payment of taxes); PUBLIC OFFICIAL BONDS, provided the amount of no one bond exceeds \$10,000 (NO AUTHORITY granted for bonds covering Sheriffs, Constables and other Process Serving Officials); PLAINTIFFS COURT BONDS such as Cost, Removal, Replevin and Attachment Bonds, provided the amount of no one bond exceeds \$5,000; (NO AUTHORITY granted for any bond where Defendant is the Principal); LOST SECURITIES BONDS provided the amount of no one bond exceeds \$5,000. (NO AUTHORITY granted for any bond covering bearer or negotiable instruments.) NO FURTHER AUTHORITY GRANTED.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

This appointment may be revoked at any time by the AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Long Grove, Illinois.

THIS APPOINTMENT SHALL CEASE AND TERMINATE WITHOUT NOTICE AS OF DECEMBER 31, 1982

IN TESTIMONY WHEREOF, the AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its authorized officers as of the date of this issuance.

Attested and Certified:

AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY

C. G. Swan, Secretary
STATE OF ILLINOIS } ss
COUNTY OF LAKE }



By

H. L. Kennicott, Jr., Vice President

I, Jean Petzold, a Notary Public, do hereby certify that H. L. Kennicott, Jr., and C. G. Swan personally known to me to be the same persons whose names are respectively as Vice President and Secretary of the American Manufacturers Mutual Insurance Company, a Corporation of the State of Illinois, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they being thereunto duly authorized signed, sealed with the corporate seal and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act for the uses and purposes therein set forth.

My commission expires: April 29, 1980



Jean Petzold, Notary Public

CERTIFICATION

I, Sven L. Johanson, Secretary of the American Manufacturers Mutual Insurance Company, do hereby certify that the attached Power of Attorney is a true and correct copy and that the same has been in full force and effect since the date thereof and is in full force and effect on the date of this certificate; and I do further certify that the said H. L. Kennicott, Jr. and C. G. Swan who executed the Power of Attorney as Vice President and Secretary respectively were on the date of the execution of the Attached Power of Attorney the duly elected Vice President and Secretary of the American Manufacturers Mutual Insurance Company.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the American Manufacturers Mutual Insurance Company on this 13th day of September, 1979.



Sven L. Johanson, Secretary

This Power of Attorney limits the acts of those named therein to the bonds and undertakings specifically named therein, and they have no authority to bind the Company except in the manner and to the extent herein stated.