

Examiner _____
Case No. 20
EXHIBIT NO. 1

BOND OF INDEMNITY

1
2 KNOW ALL MEN BY THESE PRESENTS:

3 That we, Winston Marks, of Amarillo, Texas (hereinafter called the
4 principal), as principal and the NATIONAL SURETY CORPORATION, a corporation
5 under the laws of the State of New York (hereinafter called the corporation)
6 as surety, are held and firmly bound unto Morris Zeligson, of Tulsa,
7 Oklahoma (hereinafter called the Obligee) in the penal sum of Three Thousand
8 Dollars (\$3,000.00) (which sum is hereby agreed to be the maximum amount of
9 lawful money of the United States of America claimable and recoverable
10 hereunder) well and truly to be paid and for the payment of which lawful
11 money of the United States of America we and each of us hereby bind our-
12 selves, our heirs, executors, administrators and successors, jointly and
13 severally, firmly by these presents.
14

15 Dated this 11th day of July, 1938.

16 The conditions of the above and foregoing obligation are such
17 that, WHEREAS, the principal has entered into a certain contract in writing
18 bearing date of July 11, 1938 with the said Morris Zeligson of Tulsa,
19 Oklahoma covering the renting, use and return of certain oil well casing
20 as defined in the said rental contract, a copy of which is hereto attached,
21 marked Exhibit "A" and made a part hereof.

22 NOW, THEREFORE, if the said Winston Marks shall fully and faith-
23 fully perform any and all terms and conditions of said contract hereto
24 attached and marked Exhibit "A", except such as hereinafter excepted, then
25 this obligation shall be void, otherwise to remain in full force and effect.

26 This bond does not guarantee payment to the obligee the rental
27 on the pipe as set forth in the contract.

28 This instrument shall not be construed, interpreted, altered,
29 amended, extended, or changed in any manner whatever, nor any of
30 its provisions waived, by any employee of the Corporation other
31 than the President, or a Vice President, of the Corporation, in a
32 written instrument formally executed by the Corporation through one of

1 the foregoing officers with its seal affixed and duly attested; nor shall
2 the obligee consent to an assignment of the contract or any part thereof
3 or consideration therefor without the express consent of the Corporation
4 duly executed and attested as aforesaid; nor shall this instrument or any
5 rights thereunder be assignable unless with like consent duly executed and
6 attested as aforesaid.

7 No action, suit or proceeding shall be had or maintained against
8 the corporation on this instrument unless the same be brought or
9 instituted and process served upon the corporation therein within
10 six months after the principal shall cease performing the work
11 mentioned in said contract and in no event after six months after
12 the date, time or period fixed in said contract for the completion
13 of the work mentioned therein.

14 all notices and other evidence required by this instrument to be
15 furnished by the obligee to the corporation shall be in writing, and
16 shall be forwarded by registered letter addressed to the corporation
17 at its principal office in the City of New York,

18 That no right of action shall accrue upon or by reason hereof,
19 to or for the use or benefit of any one other than the obligee
20 herein named; and that the obligation of the corporation is and
21 shall be construed strictly as one of suretyship only; and that this
22 instrument shall be executed by the principal before delivery and in no
23 event, nor for any cause whatsoever shall the penal sum of this instrument
24 be extended or increased beyond the sum of lawful money of the United
25 States of America set forth in line numbered 7 thereof, notwithstanding
26 anything to the contrary in or arising out of the contract between the
27 Principal and Obligees.
28
29

Handwritten signature

RENTAL AGREEMENT

This Agreement made and entered into this 11th day of July, 1938, by and between Morris Zeligson, Party of the First Part, and Winston Marks, Party of the Second Part, as follows:

WHEREAS, Party of the First Part is the owner of approximately 1200 feet of 12-1/2" Casing, now located in the vicinity of Ellis, Kansas, and

WHEREAS, Party of the Second Part is now drilling a well for oil and gas upon the following described lease in Gelfax County, New Mexico, being SE NW 1/4 Sec. 5. TNP 25 N, R 24 E

Party of the First Part agrees to rent and furnish above mentioned casing to Party of the Second Part under the following terms and conditions:

Party of the Second part is to pay Party of the First Part the sum of \$500.00, and the cost of hauling from the present location to the drilling location, and an additional consideration of one 80-acre lease to be an effect to the drilling well, and an 80-acre lease within one mile of the drilling well. These payments to cover a rental period of 120 days.

In the event the well is a producer, Second Party will retain casing at a price of \$2.15 per foot for the lapweld, and \$2.50 per foot for whatever Seamless is furnished. Said title to casing to remain in First Party's name unless and until full and complete payment is made by Second Party.

In the event of a dry hole, Second Party is to pay for any and all damages to the casing or collars and threads, and to pay for any pipe that may not be recovered from the well at prices hereinbefore mentioned. It will be assumed by both parties that the threads and collars are in first class order before running in the hole unless otherwise notified by Second Party before running, and when pipe recovered in event of dry hole, First Party will have same inspector at the drilling location who will at that time designate any damages.

Party of the Second Part agrees to assume all responsibility in connection with the use and running of above casing and saves Party of the First Part free and harmless from any responsibility whatsoever as to the performance or representation of this casing, but Second Party to have full privilege of inspection of casing before running into the well and at the time of loading, and to accept any pipe which is satisfactory upon the inspection.

Party of the Second Part agrees to either return or pay for the casing within or at the expiration of 120 days from the signing of this agreement. In the event Casing is to be returned, Party of the Second Part will re-deliver casing to the vicinity of its present location free of any cost to First Party.

IT IS AGREED by both parties that accompanying this agreement, Party of the Second Part will furnish a guarantee to indemnify and save First Party harmless from any liens and encumbrances, and to guarantee the performance of Party of Second Part in this agreement in its entirety. Said indemnification to specifically refer to this agreement and its particulars, such as against liens, value of material and re-delivery.

In WITNESS WHEREOF, the parties have hereunto set their hands and seals this 11th day of July, 1938.

ILLEGIBLE

Party of the First Part
Winston Marks

Party of the Second Part.

STATE OF TEXAS) SS.
COUNTY OF POTTER)

Before me, the undersigned, authority, a Notary Public, in and for Potter County, Texas, on this day personally appeared Winston Marks a feme sole, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS 11th day of July, A.D. 1938.

W.S. Eakens
Notary Public, Potter County, Texas