NM1 - 24

BONDS



NEW EXICO ENERGY, MENERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

May 18, 2004

Mr. Prather Chaparral Treating Plant P.O. Box 1769 Eunice, NM 88231

RE: \$25,000 Surety Bond for Commercial Surface Waste Management Facility

Permit NM-01-0024

Chaparral Treating Plant, Principal RLI Insurance Company, Surety

NW/4 NE/4, Section 17, Township 23 South, Range 37 East, NMPM,

Lea County, New Mexico

Bond No. RLB0006533 and Rider dated November 10, 2003

Dear Mr. Prather:

The New Mexico Oil Conservation Division hereby approves the above-referenced Commercial Surface Waste Management Facility bond rider number one (1) dated November 10, 2003 changing the Surety to RLI Insurance Company and bond number from BO5260 to RLB0006533.

Sincerely,

Gail MacQuesten

Assistant General Counsel

GM:mjk

Enclosure: Copy of bond No. (BO5260) RLB0006533 and rider No. 1

xc with attachment:

Hobbs OCD Office

Greg E. Chilson, RLI Insurance Company, 8 Greenway Plaza, Suite 400, Houston, TX 77046



Eunice, New Mexico 88231

Oil Conservation Division 1220 S. St. Francis Drive

Santa Fe, NM 87505

April 6, 2004

Chaparral Treating Plant PO Box 1769 Eunice, NM 88231

RE: Rider for Bond #UIB0005260

Dear Mr. Prather:

Please find attached a rider on the above-mentioned bond changing the bond number from UIB0005260 to RLB0006533. The bonding company made this change due to the fact that Underwriter's Indemnity has been purchased by RLI Insurance Co.

Please sign the attached rider in the marked spot and forward it to the State of New Mexico. Be sure to include the enclosed copy of the letter regarding RLI Insurance Company becoming Surety on all of Underwriters Indemnity Company's previously issued bonds when forwarding the bond to the Obligee. It would be greatly appreciated if you would make a copy of the signed rider for our file. Please hold this rider until close to the effective date of 5/17/04 before sending to the Obligee for filing. Otherwise some Obligees will reject the rider and it will have to be redone.

If you have any questions, please call.

ache Mulec

Sincerely,

Jackie Miller

im/

Enclosure: as stated

RIDER NO. 1

Attaching to and forming part of Treating Plant, Bond No. BO5260, executed May 17, 1995, on behalf of Chaparral Treating Plant as Principal, in favor of the State of New Mexico as Obligee, in the amount of Twenty Five Thousand and No/100 Dollars (\$25,000.00).

It is understood and agreed that effective May 17, 2004, the Surety Company on the above referenced bond is amended to read **RLI Insurance Company**.

It is also understood and agreed that effective May 17, 2004, the bond number for the above referenced bond is amended from BO5260 to RLB0006533.

All other conditions and terms to remain as originally written or previously changed by rider.

Signed, sealed and dated this 10th day of November, 2003.

Chaparral Treating Plant

Principal/

pu to

RLI Insurance Company

8 Greenway Plaza, Suite 400

Houston, TX 77046 Surety ↑

_

Greg E. Chilson, Attorney-in-Fact



9025 North Lindbergh Dr. • Peoria, IL 61615 (309) 692-1000 or (800) 645-2402

RLB0006533

POWER OF ATTORNEY

RLI Insurance Company

Know All Men by These Presents:

I nat the KLI INSURANCE COMPANY, a corporation organized and existing under the laws of the State of II	llinois, and authorized and licensed
to do business in all states and the District of Columbia does hereby make, constitute and appoint:	GREG E. CHILSON
in the City of <u>HOUSTON</u> , State of <u>TEXAS</u> , as Attorney-in-Fact, with full power and authority he execute, acknowledge and deliver for and on its behalf as Surety and as its act and deed, all of the follow	
\$25,000.00	
Indemnity, Surety and Undertakings that may be desired by contract, or may be given in any action of equity; policies indemnifying employers against loss or damage caused by the misconduct of their surety and fidelity bonds. Indemnity in all cases where indemnity may be lawfully given; and with full execute consents and waivers to modify or change or extend any bond or document executed for this and settle any and all claims or demands made or existing against said Company.	employees; official, bail and Lpower and authority to
The RLI INSURANCE COMPANY further certifies that the following is a true and exact copy of a Resolut Directors of RLI Insurance Company, and now in force to-wit:	tion adopted by the Board of
"All bonds policies, undertakings. Powers of Attorney, or other obligations of the corporation shall be name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant appoint Attorneys-in-Fact or Agents who shall have authority to issue bonds, policies, or undertaking the corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorneys-in-The signature of any such officer and the corporate seal may be printed by facsimile! (Blue shaded areas above indicate authenticity)	sident, or by such other officers Secretary, or the Treasurer may is in the name of the Company. orney, or other obligations of
	•
ATTEST: Corporate Secretary Country of Peoria SEAL SEAL SEAL SEAL Corporate Secretary Country of Peoria Secretary	PRESIDENT with its INSURANCE COMPANY The Educated President
On this 10 day of Nov. 2003 hefore me a Notany Public personally appeared Ionathan E. Michael a	and Camilla I. Hansay who boing by

On this 10 day of Nov. 2003 before me, a Notary Public, personally appeared <u>Jonathan E. Michael</u> and <u>Camille J. Hensey</u>, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as President and Corporate Secretary, respectively, of the said RLI INSURANCE COMPANY, and acknowledged said instrument to be the voluntary act and deed of said corporation.

Cherie & Montgomery

Notary Public



UNDERWRITERS INDEMNITY COMPANY

(Now Known As Lexon Insurance Company)

April 30, 2003

TO UNDERWRITERS INDEMNITY COMPANY BOND PRINCIPALS & OBLIGEES:

We want to take this opportunity to let you know about some important changes that are happening at Underwriters Indemnity Company ("UIC").

As you may know, since 1999, UIC has been part of the RLI Corp. family. RLI Corp. is a New York Stock Exchange listed company that operates its insurance business through a variety of affiliated insurance companies. RLI Corp.'s flagship insurance company is RLI Insurance Company, an A, IX, A.M. Best rated insurer.

Effective April 30, 2003, RLI Insurance Company assumed all of UIC's obligations under bonds and any policies of insurance it issued. As a result, Underwriters Indemnity Division of RLI Insurance Company is now the surety on all of UIC's previously issued bonds and the insurer on any policy of insurance. In addition, any obligations under indemnity agreement entered into with UIC are now owed to RLI Insurance Company.

You should also be aware that UIC has changed its name to Lexon Insurance Company. This assumption by RLI Insurance Company is in anticipation of Lexon Insurance Company coming under new ownership outside the RLI Corp. family in the near future.

These changes will not affect the service you have come to expect. Any questions should still be directed to my attention at the following address:

Roy C. Die, Vice President Underwriters Indemnity Division of RLI Insurance Company 8 Greenway Plaza Ste. 400 Houston, Texas 77046 713.961.1300 Telephone 800.223.2293 Toll Free Telephone 713.961.0285 Fax

Unless we hear from you in writing at the above address prior to September 15, 2003, we will assume that you have agreed to the assumption of UIC obligations by RLI Insurance Company.

Very truly yours,

UNDERWRITERS INDEMNITY COMPANY (Now Known As Lexon Insurance Company)

Rv.

. Die. President

Doc #:CHI02 (209217-00005) 60177015v3;05/23/2003/Time:14:12

\$25,000.00 TREATING PLANT BOND

OIL CONSERVE ION DIVISION

BOND NO. B05260
(For Use of Surety Company)

BUND NO. B05260
(For Use of Surety Company)

File with Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87504

KNOW ALL MEN BY THESE PRECEDUTE. KNOW ALL MEN BY THESE PRESENTS:

That Chaparral Treating Pla	int, (an individual)
kpantuseship xkaxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	ed in the State of New Mexico
with its principal office in the Ci	ty of Eunice , State of New Mexico
, and authorized to	o do business in the State of New Mexico), as
PRINCIPAL, and Underwriters Indem	nity Company. , a corporation
organized and existing under the law	s of the State of Texas
agent licensed in the State of New surety company, as SURETY, are held the use and benefit of the Oil Compensation pursuant to Chapter 72, I State of New Mexico in the sum of T money of the United States for the p	State of New Mexico with duly appointed resident Mexico to execute this bond on behalf of the firmly bound unto the State of New Mexico, for asservation Division of the Energy & Minerals was of New Mexico, 1935, as amended, and to the wenty Five Thousand (\$25,000.00) Dollars lawful asyment of which, well and truly to be made, said emselves, their successors and assigns, jointly nts.
The conditions of this obligati	on are such that:
WHEREAS, The above principal h	as heretofore or may hereafter enter into the
	sediment oil in Section 17 , Township 23
(South), Range 37 (East)	(West), N.M.P.M., Lea County, New
Mexico.	
*	
compliance with all applicable staturegulations, and orders of the Oil Operatment, and upon clean-up of the	erformance bond is conditioned upon substantial utes of the State of New Mexico and all rules, Conservation Division of the Energy and Minerals plant site to standards of the Oil Conservation count of the bond to be forfeited to the State of
Division of written notice of cance. Surety shall terminate as to activity said sixty (60) day perfod but shall	(60) days after receipt by the Oil Conservation llation from the Surety, the obligation of the ties or operations conducted by PRINCIPAL after continue in effect, notwithstanding said notice, conducted or commenced before the expiration of
Signed and sealed this 17th	day of May , 19 95 .
Chaparral Treating Plant	Underwriters Indemnity Company
PRINCIPAL	SURETY
P.O. Box 1769	
Eunice, NM 88231	Houston, TX 77046
By Tank Devner Signature Title	By Attorney-in-Fact Roy C. Die
(Note: Principal, if corporation Affix corporate seal here.)	(Note: Corporate surery affix corporate seal here.)

Countersigned by:	_	_
Slevery D. XX	expert P.O. BO	X 1889, EUNICE, NM 88231
New Mexico Resident Ag	Address	
STATE OF NEW MEXICO) ·	
COUNTY OF LEA)ss.	
	,	
on this 24th	day of MAY	, 19 <u>95</u> , before me
personally appeared <u>G</u>	LENN H. DANFORD	, to me known to be the
person (persons) desc	ribed in and who executed	the foregoing instrument and he (their) free act and deed.
IN WITNESS WHEREO this certificate first		nand and seal on the day and year in
•	\preceq	min L. Vance
00/07/06	Nota	ry Public
08/07/96 My Commission Expires:		•
:	ACKNOWLEDGMENT FORM FOR	CORPORATION
STATE OF)	
)ss.	
COUNTY OF)	
On this	day of	, 19, before me personally
appeared	, to me personally	y known who, being by me duly sworn,
lid say that he is		of
IN WITNESS WHEREO	aid corporation. F, I have hereunto set my h	owledged said instrument to be the
IN WITNESS WHEREO	aid corporation. F, I have hereunto set my h	•
IN WITNESS WHEREO	aid corporation. F, I have hereunto set my h	and and seal on the day and year in
IN WITNESS WHEREO this certificate first	aid corporation. F, I have hereunto set my h above written.	and and seal on the day and year in
IN WITNESS WHEREO this certificate first	aid corporation. F, I have hereunto set my h above written.	and and seal on the day and year in
IN WITNESS WHEREO this certificate first dy Commission Expires	aid corporation. F, I have hereunto set my h above written.	and and seal on the day and year in
IN WITNESS WHEREOUTHS CERTIFICATE FIRST	aid corporation. F, I have hereunto set my h above written. Notary Public	and and seal on the day and year in
IN WITNESS WHEREOUTH CONTROL OF Texas	aid corporation. F, I have hereunto set my h above written.	and and seal on the day and year in
IN WITNESS WHEREOUTH COUNTY OF Harris	aid corporation. F, I have hereunto set my h above written. Notary Public) }ss.	and and seal on the day and year in
IN WITNESS WHEREOUTH COUNTY OF Harris On this 17th	Aid corporation. F, I have hereunto set my habove written. Notary Public Notary Public	and and seal on the day and year in , 19 95 , before me appeared
IN WITNESS WHEREOUTH CONTINUES OF TEXAS ON this 17th Roy C. Die	Aid corporation. F, I have hereunto set my habove written. Notary Public Notary Public Aday of May to me	, 19 95 , before me appeared personally known, who, being by me
IN WITNESS WHEREOUTH CONTINUES WHEREOUTH OF Texas COUNTY OF Harris On this 17th Roy C. Die	Attorney-in-	, 19 95 , before me appeared personally known, who, being by me Fact of Underwriters Indemn
IN WITNESS WHEREOUTH COMPANY IN WITNESS WHEREOUTH COMPANY IN WITNESS WHEREOUTH COMPANY Texas Texas Texas Harris On this 17th Roy C. Die Holy sworn, did say the Company and the	Aid corporation. F, I have hereunto set my habove written. Notary Public Notary Public Aday of May to me at he is Attorney-in- at the foregoing instrument	, 19_95_, before me appeared personally known, who, being by me Factof Underwriters Indemn was signed and sealed on behalf of
IN WITNESS WHEREOUTH COMMISSION Expires TEXAS COUNTY OF Harris On this 17th Roy C. Die duly sworn, did say the Company and the said corporation by authoristrument to be the fire	Notary Public Notary Public Notary Public Notary Public Attorney-in- at the foregoing instrument uthority of its board of dree act and deed of said contacts.	, 19 95 , before me appeared personally known, who, being by me Fact of Underwriters Indemn was signed and sealed on behalf of directors, and acknowledged said reporation.
IN WITNESS WHEREOUTH COMMISSION EXPIRES COUNTY OF Harris On this 17th Roy C. Die Holy sworn, did say the Company and the company and the construment to be the file.	Notary Public Notary	, 19 95 , before me appeared personally known, who, being by me Fact of Underwriters Indemn was signed and sealed on behalf of directors, and acknowledged said
IN WITNESS WHEREOUTH COMMISSION EXPIRES TEXAS COUNTY OF Harris On this 17th Roy C. Die Holy sworn, did say the Company and the said corporation by an instrument to be the fill witness whereouth	Notary Public Notary	, 19 95 , before me appeared personally known, who, being by me Fact of Underwriters Indemn was signed and sealed on behalf of directors, and acknowledged said reporation.
IN WITNESS WHEREOUTH COMMISSION EXPIRES TEXAS COUNTY OF Harris On this 17th Roy C. Die Holy sworn, did say the Company and the said corporation by an instrument to be the fill witness whereouth	Notary Public Notary	, 19 95 , before me appeared personally known, who, being by me Fact of Underwriters Indemn was signed and sealed on behalf of directors, and acknowledged said reporation.
IN WITNESS WHEREOUTH COMMISSION EXPIRES TEXAS COUNTY OF Harris On this 17th Roy C. Die Holy sworn, did say the Company and the said corporation by an instrument to be the fill witness whereouth	Notary Public Notary	, 19 95 , before me appeared personally known, who, being by me Fact of Underwriters Indemn was signed and sealed on behalf of directors, and acknowledged said rporation. and and seal on the day and year in
IN WITNESS WHEREOUTH COMMISSION Expires Texas COUNTY OF Harris On this 17th Roy C. Die duly sworn, did say the Company and the said corporation by an instrument to be the filth certificate first	Notary Public Notary	, 19 95 , before me appeared personally known, who, being by me Fact of Underwriters Indemn was signed and sealed on behalf of directors, and acknowledged said rporation. and and seal on the day and year in
IN WITNESS WHEREOUTH COMMISSION Expires STATE OF Texas COUNTY OF Harris On this 17th Roy C. Die duly sworn, did say the Company and the company and the construment to be the first certificate first certifi	Add corporation. F, I have hereunto set my habove written. Notary Public Notary Public May	, 19 95 , before me appeared personally known, who, being by me Fact of Underwriters Indemn was signed and sealed on behalf of directors, and acknowledged said reporation. and and seal on the day and year in blic Nancy Cruz
Texas Texas Texas On this 17th Roy C. Die duly sworn, did say th Company said corporation by an instrument to be the first IN WITNESS WHEREOf this certificate first	Notary Public Notary	, 19 95 , before me appeared personally known, who, being by me Fact of Underwriters Indemn was signed and sealed on behalf of directors, and acknowledged said reporation. and and seal on the day and year in blic Nancy Cruz
IN WITNESS WHEREOUTH COMMISSION Expires STATE OF Texas COUNTY OF Harris On this 17th Roy C. Die duly sworn, did say the Company and the company	Notary Public May to me Attorney-in- at the foregoing instrument atthority of its board of direct and deed of said confined atthority of its board of direct and deed of said confined atthority. Notary Public Type of the said confined attorney is attach power of attorney in the said confined attach power of attorney is attach power of attorney in the said confined attach power of attorney is attach power of attorney in the said confined attach power of attorney is attach power of attorney is attach power of attorney in the said confined attach power of attorney is attach power of attach power of attorney is attach power of attach power of attach power of attach power of attach powe	, 19 95 , before me appeared personally known, who, being by me Fact of Underwriters Indemn was signed and sealed on behalf of directors, and acknowledged said reporation. and and seal on the day and year in blic Nancy Cruz
IN WITNESS WHEREOUTH COMMISSION Expires STATE OF Texas COUNTY OF Harris On this 17th Roy C. Die duly sworn, did say the Company and the company	Add corporation. F, I have hereunto set my habove written. Notary Public Notary Public May	, 19 95, before me appeared personally known, who, being by me Fact of Underwriters Indemn was signed and sealed on behalf of directors, and acknowledged said rporation. and and seal on the day and year in blic Nancy Cruz
IN WITNESS WHEREOUTH COMMISSION Expires On this 17th Roy C. Die duly sworn, did say the Company and the said corporation by an instrument to be the first in WITNESS WHEREOUTH COMMISSION Expires:	APPROVED BY:	, 19 95, before me appeared personally known, who, being by me Fact of Underwriters Indemn was signed and sealed on behalf of directors, and acknowledged said rporation. and and seal on the day and year in blic Nancy Cruz

NOTARY PUBLIC, Harris County, Texas

GENERAL POWER OF ATTORNEY

CERTIFIED COPY

KNOW ALL MEN BY THESE PRESENTS: That UNDERWRITERS INDEMNITY COMPANY, a corporation organized and existing under the laws of the State of Texas, and having its principal office in the City of Houston, Texas, does hereby constitute and appoint:

ROY C. DIE

its true and lawful attorney-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, in an amount not to exceed:

and the execution of all such instrument(s) in pursuance of these presents, shall be binding upon said UNDERWRITERS INDEMNITY
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.

This Power of Attorney is executed, and may be cerified to and may be revoked, pursuant to and by authority of Article V, Section 6(C) of the By-Laws adopted by the Board of Directors of UNDERWRITERS INDEMNITY COMPANY, at a meeting called and held on the 23rd day of January 1985, of which the following is a true transcript of said Section 6(C):

"The President or any Vice President, Assistant Vice President, Secretary or Resident Secretary shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and
- (2) to appoint special Attorneys-in-fact, who are hereby authorized to certify to copies of any power-of-attorney issued in pursuance of this section and/or any of the By-laws of the Company, and
- (3) to remove, at any time, any such Attorney-in-fact or Special Attorney-in-fact and revoke the authority given to him."

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 23rd day of January, 1985, of which the following is a true excerpt:

"Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached."

IN TESTIMONY WHEREOF, UNDERWRITERS INDEMNITY COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, E.H. Frank, III, on this the third day of September, 1991.

STATE OF TEXAS COUNTY OF HARRIS

On this the 3rd day of September, 1991, before me came the individual who executed the preceding instrument, to me personally known, and, being duly sworn, said that he is the therein described and authorized officer of **UNDERWRITERS INDEMNITY COMPANY:** that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal, at the City of Houston, Texas, the day and year first above written.

CERTIFICATION

I, the undersigned officer of UNDERWRITERS INDEMNITY COMPANY, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this	day of	MAY	, 19 95
		Hay E Chilson Greg E. Chilson	Assistant Secretary

Only a certified copy of Power of Attorney bearing the Certificate of Authority No. printed in red on the upper right corner is binding. Photocopies, carbon copies or other reproductions of this document are invalid and not binding upon the Company.

ANY INSTRUMENT ISSUED IN EXCESS OF THE PENALTY AMOUNT STATED ABOVE IS TOTALLY VOID AND WITHOUT VALIDITY.

UN1020 (11/93)

STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

June 8, 1995

Chaparral Treating Plant PO Box 1769 Eunice, NM 88231

Attention: Paul Prather

Re: \$25,000 Treating Plant Bond

Chaparral Treating Plant, Principal Underwriters Indemnity Co., Surety Sec. 17, T-23-S, R-37-E, Lea County

Bond No. BO 5260

Dear Mr. Prather:

The Oil Conservation Division hereby approves the above-referenced treating plant bond.

Sincerely,

WILLIAM J. I

Director

dr/

cc: Oil Conservation Division Hobbs, New Mexico

Underwriters Indemnity Co.

\$25,000.00 TREATING PLANT BOND

BOND NO. BO5260
(For Use of Surety Company)

File with Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87504 KNOW ALL MEN BY THESE PRESENTS:

Changeral Treating Pla	n ř	
That Chaparral Treating Pla		
tpantmentalightextexporperation organize		
with its principal office in the Cit		
and authorized to		
PRINCIPAL, and Underwriters Indem		
organized and existing under the law	•	
and authorized to do business in the agent licensed in the State of New surety company, as SURETY, are held the use and benefit of the Oil Con Department pursuant to Chapter 72, L State of New Mexico in the sum of Tomoney of the United States for the parameters of the Surety hereby bind the and severally, firmly by these presents.	Mexico to execute this firmly bound unto the servation Division of aws of New Mexico, 193 wenty Pive Thousand (\$ ayment of which, well emselves, their success	s bond on behalf of the State of New Mexico, for the Energy & Minerals 5, as amended, and to the 25,000.00) Dollars lawful and truly to be made, said
The conditions of this obligation	on are such that:	·
WHEREAS, The above principal ha	as heretofore or may h	ereafter enter into the
process of treating and reclaiming s	ediment oil in Section	1.517. Township 23
(Booth) (South), Range 37 (East)	Mast, N.M.P.M.,	Lea County, New
Mexico.		
		•
NOW, THEREFORE, This \$25,000 per compliance with all applicable status regulations, and orders of the Oil Compartment, and upon clean-up of the Division; otherwise the principal and New Mexico.	tes of the State of N onservation Division of plant site to standar	ew Mexico and all rules, of the Energy and Minerals ds of the Oil Conservation
PROVIDED, HOWEVER, That sixty (Division of written notice of cancel Surety shall terminate as to activity said sixty (60) day period but shall as to such activities or operations the sixty day period.	lation from the Sureties or operations concontinue in effect, no	y, the obligation of the ducted by PRINCIPAL after otwithstanding said notice.
Signed and sealed this 17th	day of May	19 95 .
Chaparral Treating Plant	Underwriters Indemn	ity Company
PRINCIPAL	SURETY	
P.O. Box 1769 Eunice, NM 88231	8 Greenway Plaza, St	uite 400
	Houston, TX 77046	
Mailing Address	Mailing Address	
or tame tracke avre	. 77	
Signature Title	Attorney-in-Fact	Roy C. Die
(Note: Principal, if corporation Affix corporate seal here.)	(Note: Corporate seal here.	surety affix corporate
	i de la companya de l	

P.O. BOX 1889, EUNICE, NM 88231 New Hexico Resident Aggit STATE OF NEW MEXICO On this 24th day of MAY On this 24th day of MAY Personally appeared GLENN H. DANFORD Personally appeared GLENN H. DANFORD 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 this certificate first above written. ACKNOWLEDGMENT FORM FOR CORPORATION STATE OF On this day of 19 before me personal speeded the is of and that the foregoing instrument was signed and sealed on behalf of said corporation and that the foregoing instrument was signed and sealed on behalf of said corporation. IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year this certificate first above written. Notary Public My Commission Expires STATE OF Texas On this 17th day of May 19 95 before me appeared the company and that the foregoing instrument was signed and sealed on the day and year this certificate first above written. Notary Public My Commission Expires STATE OF Texas On this 17th day of May 19 95 before me appeared for the company 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 first meant to be the first and deed of said corporation.	Mexico, the regient Countersigned by:	5			• ;
STATE OF NEW MEXICO On this 24th day of MAY , 1995, before me personally appeared GLENN H, DANFORD , to me known to be the persons (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 this certificate first above written. ACKNOWLEDGMENT-FORM-FOR CORPORATION STATE OF	Se 1 th Marion		nov 1000		
STATE OF NEW MEXICO On this 24th day of MAY , 1995, before me personally appeared GLENN H, DANFORD , to me known to be the persons (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 this certificate first above written. ACKNOWLEDGMENT FORM-FOR CORPORATION STATE OF	New Mexico Resident Agent	P.O. Addres	BOX 1889 EUN	CE, NM 8823	1
On this 24th day of MAY , 1995 , before me personally appeared GLENN H, DANFORD , to me known to be the persons (persons) described in and who executed the foregoing instrument and acknowledged that he (they) seecuted the same as he (their) free act and deed. IN MITNESS WHEREOF, I have hereunto set my hand and seal on the day and year this certificate first above written. O8/07/96 Hy Commission Expires: ACKNOWLEDGMENT-FORM-FOR CORPORATION- STATE OF					
On this 24th day of MAY , 19.95 , before me personally appeared GLENN H. DANFORD , 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 this certificate first above written. O8/07/96	4)ss.	•		
personally appeared GLENN H. DANFORD, 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 this certificate first above written. O8/07/96	COUNTY OF LEA)			\$
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 this certificate first above written. O8/07/96	On this 24th	day of MAY	, 1	995 before	me
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 this certificate first above written. O8/07/96 Hy Commission Expires: ACKNOWLEDGMENT FORN-FOR CORPORATION STATE OF	personally appeared GLENN	H. DANFORD	, to-	me known to be	the
O8/07/96 My Commission Expires: ACKNOWLEDGMENT FORM-FOR CORPORATION— STATE OF	person (persons) described acknowledged that he (they)	in and who executed the same	ted the foregoins he (their) fr	ng instrument ee act and deed	and
ACKNOWLEDGMENT_FORM_FOR CORPORATION STATE OF		e written.	_	. ~	
ACKNOWLEDGMENT_FORM_FOR CORPORATION STATE OF			<i>Q</i>	1 11- 11-	,
ACKNOWLEDGMENT_FORM_FOR CORPORATION STATE OF		No.	tary Public	vanu	?
ACKNOWLEDGMENT_FORM_FOR CORPORATION— STATE OF	= - , - , , , - ,	·			•
On this	ua commitaaton exhitesi		•		• .
On this		·		· . ·	
On this	ACI	Knohledgment_form_fo	R CORPORATION	پرېسپوسور د د هېسپوښه ست.	المراج المنافي
On this		•			•
On this)ss.			
appeared)			
appeared	On this	day of	, 19	_, before me pe	rsonal
and that the foregoing instrument was signed and sealed on behalf of said corporations 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 this certificate first above written. Notary Public My Commission Expires STATE OF Texas	appeared	, to me person	illy known who,	being by me dul	y swor
and that the foregoing instrument was signed and sealed on behalf of said corporation 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 this certificate first above written. Notary Public My Commission Expires STATE OF Texas	•			 -	
STATE OF	free act and deed of said of in witness whereof, I	of directors, and accorporation. have hereunto set m	knowledged said	l instrument to	be the
STATE OF	free act and deed of said of in witness whereof, I	of directors, and accorporation. have hereunto set m	knowledged said	l instrument to	be the
STATE OF	free act and deed of said of in witness whereof, I	of directors, and accorporation. have hereunto set me written.	knowledged said	l instrument to	be the
On this 17th day of May , 19 95, before me appeared to the second	free act and deed of said continued in witness whereof, I this certificate first above	of directors, and accorporation. have hereunto set me written.	knowledged said	l instrument to	be the
On this 17th day of May , 19 95, before me appeared to the second	free act and deed of said continued in witness whereof, I this certificate first above	of directors, and accorporation. have hereunto set me written.	knowledged said	l instrument to	be the
On this 17th day of May , 19 95, before me appeared to the second of Underwriters Incompany and that the foregoing instrument was signed and sealed on behalf control of underwriters of underwriters and sealed corporation by authority of its board of directors, and acknowledged said	free act and deed of said continued in witness whereof, I this certificate first above	of directors, and accorporation. have hereunto set me written.	knowledged said	l instrument to	be the
On this 17th day of May , 19 95, before me appeared to the second of Underwriters Incompany and that the foregoing instrument was signed and sealed on behalf company authority of its board of directors, and acknowledged said	free act and deed of said continued in witness whereof, I this certificate first above. My Commission Expires	of directors, and accorporation. have hereunto set me written.	knowledged said	l instrument to	be the
duly sworn, did say that he is Attorney-in-Fact of Underwriters Inc. Company and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF	of directors, and accorporation. have hereunto set me written. Notary Publ	knowledged said	l instrument to	be the
duly sworn, did say that he is Attorney-in-Fact of Underwriters Inc. Company and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said	IN WITHESS WHEREOF, I this certificate first above My Commission Expires STATE OF Texas COUNTY OF Harris	of directors, and accorporation. have hereunto set me written. Notary Publ.	knowledged said	on the day and	be the
Company and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF Texas COUNTY OF Harris On this 17th day	of directors, and accorporation. have hereunto set me written. Notary Publ.)	knowledged said y hand and seal	on the day and	year i
said corporation by authority of its board of directors, and acknowledged said	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF	of directors, and accorporation. have hereunto set me written. Notary Publ.)	knowledged said y hand and seal ic , 19_9	on the day and	year :
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 this certificate first above My Commission Expires STATE OF	of directors, and accorporation. have hereunto set me written. Notary Publ.)	knowledged said y hand and seal ic , 19_9	on the day and	year i
	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF Texas COUNTY OF Harris On this 17th day Roy-C.—Die— duly sworn, did say that he	of directors, and accorporation. have hereunto set me written. Notary Publ. Notary Publ. Notary Publ. Attorney-	knowledged saidly hand and seal ic, 19_9_me_personally kin-Fact	on the day and on the day and on the day and on the day and	year :
	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF Texas COUNTY OF Harris On this 17th day ———————————————————————————————————	of directors, and accorporation. have hereunto set me written. Notary Publ. Notary Publ. Notary Publ. Attorney- e is Attorney- e foregoing instrumity of its board oct and deed of said		on the day and on the day and	ppeare go by mers Incehalf co
IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year this certificate first above written.	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF Texas COUNTY OF Harris On this 17th day ———————————————————————————————————	of directors, and accorporation. have hereunto set me written. Notary Publ. Notary Publ. Notary Publ. Attorney- e is Attorney- e foregoing instrumity of its board oct and deed of said have hereunto set me		on the day and on the day and	ppeare grown mers Income that of one of the said
this certificate first above written.	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF Texas COUNTY OF Harris On this 17th day ———————————————————————————————————	of directors, and accorporation. have hereunto set me written. Notary Publ. Notary Publ. Notary Publ. Attorney- e is Attorney- e foregoing instrumity of its board oct and deed of said have hereunto set me		on the day and on the day and	ppeare grown Inches
this certificate first above written.	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF Texas COUNTY OF Harris On this 17th day ———————————————————————————————————	of directors, and accorporation. have hereunto set me written. Notary Publ. Notary Publ. Notary Publ. Attorney- e is Attorney- e foregoing instrumity of its board oct and deed of said have hereunto set me		on the day and on the day and	ppeare grown mers Income that of one of the said
this certificate first above written. Notary Public Nancy Cruz	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF Texas COUNTY OF Harris On this 17th day ———————————————————————————————————	of directors, and accorporation. have hereunto set me written. Notary Publ Notary Publ May e is Attorney e foregoing instrumity of its board oct and deed of said have hereunto set me written.	, 19 9 me personally k in-Fact ent was signed a f directors, an corporation.	on the day and on the day and on the day and of Underwrite and sealed on being acknowledged on the day and	ppeare go by mers Indehalf o
this certificate first above written.	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF Texas COUNTY OF Harris On this 17th day ———————————————————————————————————	of directors, and accorporation. have hereunto set me written. Notary Publ Notary Publ May e is Attorney e foregoing instrumity of its board oct and deed of said have hereunto set me written.	, 19 9 me personally k in-Fact ent was signed a f directors, an corporation.	on the day and on the day and on the day and of Underwrite and sealed on being acknowledged on the day and	ppeare grown mers Income that of one of the said
Notary Public Nancy Cruz	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF Texas COUNTY OF Harris On this 17th day and that the company and that the said corporation by author instrument to be the free at IN WITNESS WHEREOF, I this certificate first above	of directors, and accorporation. have hereunto set me written. Notary Publ. Notary Publ. Notary Publ. Attorney— e is Attorney— e foregoing instrumity of its board oct and deed of said have hereunto set me written. Notary	me personally kin-Fact ent was signed at corporation. y hand and seal	on the day and on the day and on the day and of Underwrite and sealed on being acknowledged on the day and	ppeare grown mers Indehalf o
Notary Public Nancy Cruz	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF Texas COUNTY OF Harris On this 17th day and that the company and that the said corporation by author instrument to be the free at IN WITNESS WHEREOF, I this certificate first above	of directors, and accorporation. have hereunto set me written. Notary Publ. Notary Publ. Notary Publ. Attorney— e is Attorney— e foregoing instrumity of its board oct and deed of said have hereunto set me written. Notary	me personally kin-Fact ent was signed at corporation. y hand and seal	on the day and on the day and on the day and of Underwrite and sealed on being acknowledged on the day and	ppeare go by mers Indehalf o
Notary Public Nancy Cruz	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF Texas COUNTY OF Harris On this 17th day and that the company and that the said corporation by author instrument to be the free at IN WITNESS WHEREOF, I this certificate first above	of directors, and accorporation. have hereunto set me written. Notary Publ. Notary Publ. Notary Publ. Notary Publ. Attorney- e is Attorney- e foregoing instrumity of its board of the control of t	y hand and seal y hand and seal ic	on the day and on the day and on the day and of Underwrite and sealed on being acknowledged on the day and	ppeare go by mers Indehalf o
Notary Public Nancy Cruz	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF Texas COUNTY OF Harris On this 17th day Roy-G.—Die— duly sworn, did say that he and that the said corporation by author instrument to be the free a IN WITNESS WHEREOF, I this certificate first above	of directors, and accorporation. have hereunto set me written. Notary Publ. Notary Publ. Notary Publ. Notary Publ. Attorney- e is Attorney- e foregoing instrumity of its board of the control of t	y hand and seal y hand and seal ic	on the day and on the day and on the day and of Underwrite and sealed on being acknowledged on the day and	ppeare grown mers Indehalf o
Notary Public Nancy Cruz M. Johnnisside Experes: (Note: Lepporate Jurety attach power of attorney) APPROVED BY:	IN WITNESS WHEREOF, I this certificate first above My Commission Expires STATE OF Texas COUNTY OF Harris On this 17th day and that the company and that the said corporation by author instrument to be the free at IN WITNESS WHEREOF, I this certificate first above	of directors, and accorporation. have hereunto set me written. Notary Publ. Notary Publ. Notary Publ. Notary Publ. Attorney- e is Attorney- e foregoing instrumity of its board of the control of t	y hand and seal y hand and seal ic	on the day and on the day and on the day and of Underwrite and sealed on being acknowledged on the day and	ppeare go by restant to said

Welliam NOTARY PUBLIC, Harris County, Texas

GENERAL POWER OF ATTORNEY

CERTIFIED COPY

KNOW ALL MEN BY THESE PRESENTS: That UNDERWRITERS INDEMNITY COMPANY, a corporation organized and existing under the laws of the State of Texas, and having its principal office in the City of Houston, Texas, does hereby constitute and appoint:

ROY C. DIE

its true and lawful attorney-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, in an amount not to exceed:

and the execution of all such instrument(s) in pursuance of these presents, shall be binding upon said UNDERWRITERS INDEMNITY 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.

This Power of Attorney is executed, and may be cerified to and may be revoked, pursuant to and by authority of Article V. Section 6(C) of the By-Laws adopted by the Board of Directors of UNDERWRITERS INDEMNITY COMPANY, at a meeting called and held on the 23rd day of January 1985, of which the following is a true transcript of said Section 6(C):

"The President or any Vice President, Assistant Vice President, Secretary or Resident Secretary shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and
- (2) to appoint special Attorneys-in-fact, who are hereby authorized to certify to copies of any power-of-attorney issued in pursuance of this section and/or any of the By-laws of the Company, and
- (3) to remove, at any time, any such Attorney-in-fact or Special Attorney-in-fact and revoke the authority given to him."

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 23rd day of January, 1985, of which the following is a true excerpt:

"Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached."

IN TESTIMONY WHEREOF, UNDERWRITERS INDEMNITY COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, E.H. Frank, III, on this the third day of September, 1991.

STATE OF TEXAS COUNTY OF HARRIS

On this the 3rd day of September, 1991, before me came the individual who executed the preceding instrument, to me personally known, and, being duly sworn, said that he is the therein described and authorized officer of UNDERWRITERS INDEMNITY COMPANY: that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal, at the City of Houston, Texas, the day and year first above written.

CERTIFICATION

I, the undersigned officer of UNDERWRITERS INDEMNITY COMPANY, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 17th day of May 19 95

| Hay Ellipson | Assistant Secretary

Only a certified copy of Power of Attorney bearing the Certificate of Authority No. printed in red on the upper right corner is binding. Photocopies, carbon copies or other reproductions of this document are invalid and not binding upon the Company.

ANY INSTRUMENT ISSUED IN EXCESS OF THE PENALTY AMOUNT STATED ABOVE IS TOTALLY VOID AND WITHOUT

UN1020 (11/93)

VALIDITY.