

NM

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14

BONDS



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

February 7, 2003

Lori Wrotenbery

Director

Oil Conservation Division

Launa Reidenbach
Travlers Bond
One Tower Square, Mail Code 13CZ
Hartford, Connecticut 06183

Re: **\$10,000 Surety Bond**
Treating Plant Bond
Oil Processing, Inc., Principal
The Travelers Indemnity Company, Surety
SE/4 Section 8, Township 20 South, Range 37 East, NMPM,
Lea County, New Mexico
Bond No. 862E405A and Change Rider dated October 2, 1984

Dear Ms. Reidenbach:

Enclosed please find copies of the bond, correspondence, and order-6053-A that the New Mexico Oil Conservation Division (OCD) has on file regarding, the principal Oil Processing, Inc. Please be advised that the OCD will be performing a site investigation and cleanup within the next 6 months.

If you have any questions please call me at (505) 476-3488.

Sincerely

A handwritten signature in black ink, appearing to read "Martyne J. Kieling".

Martyne J. Kieling
Environmental Geologist

xc: Hobbs District office
File 711-014

'PRINCIPAL: OIL PROCESSING

SURETY: The Travelers Indemnity Co.

BOND NO.: 862E405A

TYPE: Treating Plant Bond (\$10,000)

APPROVED: September 5, 1979

CANCELLED:

WELL LOCATION:

**INSURANCE DIVISION
COMPANY DIRECTORY**

Name and Address of Company	Phone Number	NAIC Number	Company Number	State Incorporated	Date Incorporated	Admitted to N.M.
TRANSPORTATION INSURANCE COMPANY CNA PLAZA - 09 SOUTH CHICAGO, ILLINOIS 60685 <i>Class of Insurance:</i> Property, Marine and Transportation + Casualty + Surety + Vehicle	312-822-2980	20494	748	ILLINOIS	02/11/1938	03/01/1951
TRAVCO INSURANCE COMPANY ONE TOWER SQUARE HARTFORD, CONNECTICUT 06183 <i>Class of Insurance:</i> Prop, Mar & Tran + Casualty(Excluding Wks Comp & Emp Liability)+Surety+Vehicle	860-277-3966	28188	4821	CONNECTICUT	07/24/1991	11/02/1999
TRAVELERS CASUALTY AND SURETY COMPANY ONE TOWER SQUARE HARTFORD, CONNECTICUT 06183 <i>Class of Insurance:</i> Property, Marine and Transportation + Casualty + Surety + Vehicle	860-277-3966	19038	2	CONNECTICUT	05/00/1883	07/19/1937
TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA ONE TOWER SQUARE HARTFORD, CONNECTICUT 06183 <i>Class of Insurance:</i> Property, Marine and Transportation + Casualty + Surety + Vehicle	860-277-3966	31194	2084	CONNECTICUT	07/18/1974	12/15/1980
TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS 215 SHUMAN BOULEVARD NAPERVILLE, ILLINOIS 60563 <i>Class of Insurance:</i> Property, Marine and Transportation + Casualty + Surety + Vehicle	630-961-8079	19046	4016	ILLINOIS	08/12/1971	07/08/1982
TRAVELERS CASUALTY COMPANY OF CONNECTICUT ONE TOWER SQUARE HARTFORD, CONNECTICUT 06183 <i>Class of Insurance:</i> Property, Marine and Transportation + Casualty + Surety + Vehicle	860-277-3966	36170	4585	CONNECTICUT	01/03/1990	01/24/1991
TRAVELERS COMMERCIAL INSURANCE COMPANY ONE TOWER SQUARE HARTFORD, CONNECTICUT 06183 <i>Class of Insurance:</i> Property, Marine and Transportation + Casualty + Surety + Vehicle	860-277-3966	36137	4586	CONNECTICUT	01/03/1990	01/28/1991
TRAVELERS HOME AND MARINE INSURANCE COMPANY (THE) ONE TOWER SQUARE HARTFORD, CONNECTICUT 06183 <i>Class of Insurance:</i> Prop, Mar & Tran + Casualty(Excluding Wks Comp & Emp Liability)+Surety+Vehicle	860-277-3966	27998	4822	CONNECTICUT	07/24/1991	11/02/1999
TRAVELERS INDEMNITY COMPANY ONE TOWER SQUARE HARTFORD, CONNECTICUT 06183 <i>Class of Insurance:</i> Property, Marine and Transportation + Casualty + Surety + Vehicle	860-277-3966 Ann - 860-277-2895 860-277-0111	25658	273	CONNECTICUT	03/25/1903	09/08/1937
TRAVELERS INDEMNITY COMPANY OF AMERICA (THE) ONE TOWER SQUARE HARTFORD, CONNECTICUT 06183 <i>Class of Insurance:</i> Property, Marine and Transportation + Casualty + Surety + Vehicle	860-277-3966 860-277-6111	25666	1475	CONNECTICUT	01/02/1946	12/30/1968
TRAVELERS INDEMNITY COMPANY OF CONNECTICUT (THE) ONE TOWER SQUARE HARTFORD, CONNECTICUT 06183 <i>Class of Insurance:</i> Property, Marine and Transportation + Casualty + Surety + Vehicle	860-277-3966	25682	86	CONNECTICUT	05/00/1859	02/01/1966
TRAVELERS INDEMNITY COMPANY OF ILLINOIS 215 SHUMAN BOUJELVARD NAPERVILLE, ILLINOIS 60563 <i>Class of Insurance:</i> Property, Marine and Transportation + Casualty + Surety + Vehicle	630-961-8079	25674	1654	ILLINOIS	07/29/1971	12/14/1972
TRAVELERS INDEMNITY COMPANY OF MISSOURI (THE) ONE CITYPLACE DRIVE ST. LOUIS, MISSOURI 63141 <i>Class of Insurance:</i> Property, Marine and Transportation + Casualty + Surety + Vehicle	314-994-2201	40282	4419	MISSOURI	05/20/1981	09/28/1987

Lana Ridombach 860 277 1932

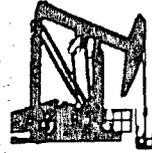
Someone to call back 2-4-03



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

50 YEARS



1935 - 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

September 2, 1986

CERTIFIED - RETURN
RECEIPT REQUESTED

McCleskey, Harriger, Brazill & Graf
Attorneys at Law
P. O. Drawer 6170
Lubbock, Texas 79493

The Travelers Companies
P. O. Box 4356
Englewood, Colorado 80155

Re: Oil Processing, Inc.
Treating Plant Bond
Lea County

Gentlemen:

Enclosed is a copy of the advertisement of the Examiner Hearing to be held on Wednesday, September 17, 1986, at 8:15 a.m. in the Oil Conservation Division Conference Room, State Land Office Building, Santa Fe, New Mexico. Case 8983 concerns the above captioned subject matter.

- Sincerely,

JEFFREY TAYLOR
General Counsel

JT/fd
enc.

TheTravelers

The Travelers Companies
7600 East Orchard
P.O. Box 4356
Englewood, CO 80155
Telephone: 303 740-1600

Larry Richardson
Manager
Surety Department

Denver Office

101301

AUG - 4 1986

SANTA FE

August 1, 1986

State of New Mexico
Oil & Gas Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

RE:

Principal: Oil Processing, Inc.
Bond No.: 862E405A
Bond Amount: \$10,000.00*
Description: Oil Treating Plant Bond

Gentlemen:

The above referenced bond was executed effective 08-13-79.

Please check your records and advise if all is in order for cancellation of this bond. If not, please let us know what needs to be done to effect cancellation.

A self-addressed, stamped envelope is attached for your convenience in replying.

Very truly yours,



Becky Amann
Surety/Denver

cc:



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

October 31, 1984

TONY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

McCleskey, Harriger, Brazill & Graf
Law Offices
P. O. Drawer 6170
Lubbock, Texas 79493

Attention: Gary A. Ward

Re: \$10,000 Treating Plant Bond
Oil Processing, Principal
Bond No. 862E405A

Dear Mr. Ward:

The Oil Conservation Division hereby acknowledges receipt of and approves the rider changing the name of principal as follows:

OIL PROCESSING, INC.

Sincerely,

R. L. STAMETS,
Acting Director

dr/

cc: Oil Conservation Division
Hobbs, New Mexico

LAW OFFICES
McCLESKEY, HARRIGER, BRAZILL & GRAF

GEO. W. McCLESKEY
HAROLD O. HARRIGER
CLARENCE P. BRAZILL, JR.
DON GRAF
R. REX AYCOCK
MIKE WORLEY
GEORGE H. McCLESKEY
JERRY M. KOLANDER, JR.
JOHN A. FREELS
BILL HARRIGER
GARY A. WARD
DENNIS R. BURROWS
STEPHEN L. JOHNSON
TOMMY J. SWANN
H. ALAN CARMICHAEL
JIM HUND
THOMAS E. PITTS
DAN G. YOUNG

LUBBOCK, TEXAS
THE PLAINS NATIONAL BUILDING
5010 UNIVERSITY - ZIP 79413
P. O. DRAWER 6170 - ZIP 79493

TELEPHONE
AREA CODE 806
797-3411

October 24, 1984

Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Attention: Diane Richardson

Re: Oil Processing, Inc.

Dear Mrs. Richardson:

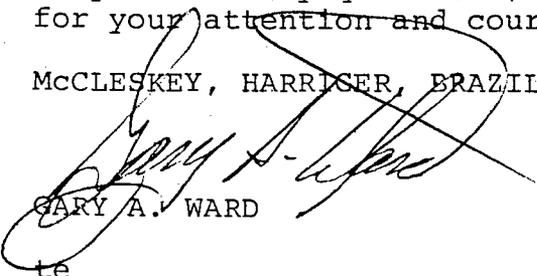
Pursuant to our telephone conversation of October 24th, I am sending to you the original rider which has been issued by the Travelers Insurance Agency changing the name of a treating plant in Hobbs, New Mexico, from Oil Processing to Oil Processing, Inc. As I mentioned, the business previously operated as a partnership and it is now operating in a corporate form.

I have forwarded a copy of this bond to the Hobbs District Office to the attention of Melba Carpenter.

I would appreciate your writing me a letter of approval showing that Oil Processing, Inc., is now operating under the previous permit issued by the State. That was Case No. 6577, Order No. R-6053, Application of Oil Processing for an oil treating plant permit, Lea County, New Mexico.

If you have any questions, please contact me immediately. Thank you for your attention and courtesy in this matter.

MCCLESKEY, HARRIGER, BRAZILL & GRAF


GARY A. WARD

te
Enc.

cc: Perc DeTamble





THE TRAVELERS

CHANGE RIDER

BOND NO. 862E405A	ON BEHALF OF Oil Processing	
DATE OF BOND 08-13-79	IN FAVOR OF State of New Mexico	
ADDITIONAL PREMIUM \$ Nil	RETURN PREMIUM \$ Nil	EFFECTIVE DATE OF CHANGE October 2, 1984

This rider is to be attached to and form a part of the above described bond.

In consideration of the additional or return premium shown above the surety hereby gives its consent to _____

change name of Principal

FROM: Oil Processing

TO: Oil Processing, Inc.

Provided, however, that the aggregate liability of the surety for any one or more losses occurring prior to the effective date of change shall not exceed \$10,000.00*, or for any one or more losses occurring after said date exceed \$10,000.00*. It is further understood that in no event shall the surety's liability be cumulative.

Signed and dated on October 18, 1984
(Month, day, year)

THE TRAVELERS INDEMNITY COMPANY

By Rebecca K. Payton
(Attorney in fact)
Rebecca K. Payton

Accepted _____

By _____

The Travelers Indemnity Company

Hartford, Connecticut

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That THE TRAVELERS INDEMNITY COMPANY, a corporation of the State of Connecticut, does hereby make, constitute and appoint

Andrew Collins, Rebecca K. Payton, Susan M. Perry, Larry Richardson, Thomas J. Roberts, all of Englewood, Colorado, EACH

its true and lawful Attorney(s)-in-Fact, with full power and authority, for and on behalf of the Company as surety, to execute and deliver and affix the seal of the Company thereto, if a seal is required, bonds, undertakings, recognizances, consents of surety or other written obligations in the nature thereof, as follows:

Any and all bonds, undertakings, recognizances, consents of surety or other written obligations in the nature thereof

and to bind THE TRAVELERS INDEMNITY COMPANY thereby, and all of the acts of said Attorney(s)-in-Fact, pursuant to these presents, are hereby ratified and confirmed.

This appointment is made under and by authority of the following by-laws of the Company which by-laws are now in full force and effect:

ARTICLE IV, SECTION 14. The Chairman of the Board, the President, the Chairman of the Finance Committee, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Corporate Secretary or any Department Secretary may appoint attorneys-in-fact or agents with power and authority, as defined or limited in their respective powers of attorney, for and on behalf of the Company to execute and deliver, and affix the seal of the Company thereto, bonds, undertakings, recognizances, consents of surety or other written obligations in the nature thereof and any of said officers may remove any such attorney-in-fact or agent and revoke the power and authority given to him.

ARTICLE IV, SECTION 16. Any bond, undertaking, recognizance, consent of surety or written obligation in the nature thereof shall be valid and binding upon the Company when signed by the Chairman of the Board, the President, the Chairman of the Finance Committee, any Executive Vice President, any Senior Vice President, any Vice President or any Second Vice President and duly attested and sealed, if a seal is required, by the Corporate Secretary or any Department Secretary or any Assistant Corporate Secretary or any Assistant Department Secretary, or shall be valid and binding upon the Company when duly executed and sealed, if a seal is required, by a duly authorized attorney-in-fact or agent, pursuant to and within the limits of the authority granted by his or her power of attorney.

This power of attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Directors of THE TRAVELERS INDEMNITY COMPANY at a meeting duly called and held on the 30th day of November, 1959:

VOTED: That the signature of any officer authorized by the By-Laws and the Company seal may be affixed by facsimile to any power of attorney or special power of attorney or certification of either given for the execution of any bond, undertaking, recognizance or other written obligation in the nature thereof; such signature and seal, when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

This power of attorney revokes that dated March 27, 1984 on behalf of Rebecca K. Amann, Andred Collins, Stephen T. Pate, Susan M. Perry, Larry Richardson, Robert West

IN WITNESS WHEREOF, THE TRAVELERS INDEMNITY COMPANY has caused these presents to be signed by its proper officer and its corporate seal to be hereunto affixed this 1st day of October 19 84



THE TRAVELERS INDEMNITY COMPANY

By

D. L. Banta

Secretary, Surety

State of Connecticut, County of Hartford—ss:

On this 1st day of October in the year 1984 before me personally came D. L. Banta to me known, who, being by me duly sworn, did depose and say: that he resides in the State of Connecticut; that he is Secretary (Surety) of THE TRAVELERS INDEMNITY COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of his office under the by-laws of said corporation, and that he signed his name thereto by like authority.



Gloria D. Seekins

Notary Public

My commission expires April 1, 1988

CERTIFICATION

I, Paul D. Tubach, Assistant Secretary (Surety) of THE TRAVELERS INDEMNITY COMPANY, certify that the foregoing power of attorney, the above quoted Sections 14. and 16. of Article IV of the By-Laws and the Resolution of the Board of Directors of November 30, 1959 have not been abridged or revoked and are now in full force and effect.

Signed and Sealed at Hartford, Connecticut, this 18th day of October 19 84



Paul D. Tubach

Assistant Secretary, Surety



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

September 5, 1979

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

The Travelers Indemnity
Company
Hartford, Connecticut

Re: \$10,000 Treating Plant Bond
Oil Processing, Principal
The Travelers Indemnity Company,
Surety
Bond No. 862E405A

Gentlemen:

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

Sincerely,

JOE D. RAMEY,
Director

JDR/ELP/dr

cc: Oil Conservation Division
Hobbs, Artesia, Aztec

NEW MEXICO
OIL CONSERVATION COMMISSION

\$10,000.00 TREATING PLANT BOND

BOND NO. 867405A
(Surety Company)

(Note: File with Oil Conservation Commission, Santa Fe, New Mexico)

KNOW ALL MEN BY THESE PRESENTS:

That OIL PROCESSING, (an individual) (partnership) (a corporation organized in the State of _____, with its principal office in the city of Monument State of New Mexico, and authorized to do business in the State of New Mexico), as PRINCIPAL, and THE TRAVELERS INDEMNITY COMPANY a corporation organized and existing under the laws of the State of Connecticut, 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 Commission of New Mexico pursuant to Chapter 72, Laws of New Mexico, 1935, as amended, and to the State of New Mexico in the sum of Ten Thousand (\$10,000.00) 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 process of treating and reclaiming sediment oil within the State of New Mexico,

NOW, THEREFORE, This \$10,000.00 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 Commission; otherwise the principal amount of the bond to be forfeited to the State of New Mexico.

Signed and sealed this 13th day of August, 19 79.

Oil Processing PRINCIPAL
THE TRAVELERS INDEMNITY COMPANY SURETY
By [Signature] Title [Signature] Attorney-in-Fact, Alberto Paez
Signature Title

(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:

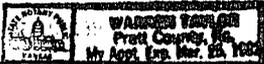
NOT REQUIRED
New Mexico Resident Agent Address

ACKNOWLEDGMENT FORM FOR NATURAL PERSON

STATE OF Kansas)
COUNTY OF Pratt) ss.

On this first day of September, 1979, before me personally appeared IRENE L. HILLIKER, 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.



Warren Tamm
Notary Public

My Commission expires

ACKNOWLEDGMENT 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

ACKNOWLEDGMENT FORM FOR CORPORATE SURETY

STATE OF Colorado)
COUNTY OF Denver) ss.

On this 13th day of August, 1979, before me appeared Alberto Paez, to me personally known, who, being by me duly sworn, did say that he is Attorney-in-Fact of THE TRAVELERS INDEMNITY 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 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.

My Commission Expires Dec. 29, 1982

Mr. J. Saucier
Notary Public

My Commission expires

(Note: Corporate surety attach power of attorney.)

APPROVED BY:
OIL CONSERVATION COMMISSION OF NEW MEXICO

By Joe Ramirez

WARREN TAMM, Notary Public, My Comm. Exp. Mar. 23, 1982

KNOW ALL MEN That If Douglas R. C. Perry, W. T. Denver, Colo.

certificat first above
of the person (persons)
the same as his (their)

The Travelers Indemnity Company

Hartford, Connecticut

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That THE TRAVELERS INDEMNITY COMPANY, a corporation of the State of Connecticut, does hereby make, constitute and appoint

Douglas R. Campbell, Samuel Faucett, E. A. Houser, III, Alberto Paez, Susan M. Perry, W. T. Reavis, Larry Richardson, M. J. Saucier, Warren R. Withrow, all of Denver, Colorado, EACH _____

its true and lawful Attorney(s)-in-Fact, with full power and authority, for and on behalf of the Company as surety, to execute and deliver and affix the seal of the Company thereto, if a seal is required, bonds, undertakings, recognizances, consents of surety or other written obligations in the nature thereof, as follows:

Any and all bonds, undertakings, recognizances, consents of surety or other written obligations in the nature thereof _____

and to bind THE TRAVELERS INDEMNITY COMPANY thereby, and all of the acts of said Attorney(s)-in-Fact, pursuant to these presents, are hereby ratified and confirmed.

This appointment is made under and by authority of the following by-laws of the Company which by-laws are now in full force and effect:

ARTICLE IV, SECTION 14. The Chairman of the Board, the President, the Chairman of the Finance Committee, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Corporate Secretary or any Department Secretary may appoint attorneys-in-fact or agents with power and authority, as defined or limited in their respective powers of attorney, for and on behalf of the Company to execute and deliver, and affix the seal of the Company thereto, bonds, undertakings, recognizances, consents of surety or other written obligations in the nature thereof and any of said officers may remove any such attorney-in-fact or agent and revoke the power and authority given to him.

ARTICLE IV, SECTION 16. Any bond, undertaking, recognizance, consent of surety or written obligation in the nature thereof shall be valid and binding upon the Company when signed by the Chairman of the Board, the President, the Chairman of the Finance Committee, any Executive Vice President, any Senior Vice President, any Vice President or any Second Vice President and duly attested and sealed, if a seal is required, by the Corporate Secretary or any Department Secretary or any Assistant Corporate Secretary or any Assistant Department Secretary, or shall be valid and binding upon the Company when duly executed and sealed, if a seal is required, by a duly authorized attorney-in-fact or agent, pursuant to and within the limits of the authority granted by his or her power of attorney.

This power of attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Directors of THE TRAVELERS INDEMNITY COMPANY at a meeting duly called and held on the 30th day of November, 1959:

VOTE: That the signature of any officer authorized by the By-Laws and the Company seal may be affixed by facsimile to any power of attorney or special power of attorney or certification of either given for the execution of any bond, undertaking, recognizance or other written obligation in the nature thereof; such signature and seal, when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

This power of attorney revokes that dated January 23, 1978 on behalf of Douglas R. Campbell, George D. Colip, Jr., Samuel Faucett, E. A. Houser, III, Alberto Paez, Susan M. Perry, W. T. Reavis, Larry Richardson, M. J. Saucier, Warren R. Withrow _____

IN WITNESS WHEREOF, THE TRAVELERS INDEMNITY COMPANY has caused these presents to be signed by its proper officer and its corporate seal to be hereunto affixed this 7th day of May 19 79 .

THE TRAVELERS INDEMNITY COMPANY

By

Secretary, Surety



State of Connecticut, County of Hartford--ss:

On this 7th day of May in the year 1979 before me personally came D. J. Nash to me known, who, being by me duly sworn, did depose and say: that he resides in the State of Connecticut; that he is Secretary (Surety) of THE TRAVELERS INDEMNITY COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of his office under the by-laws of said corporation, and that he signed his name thereto by like authority.



Notary Public

My commission expires April 1, 1983

CERTIFICATION

I, Paul D. Tubach, Assistant Secretary (Surety) of THE TRAVELERS INDEMNITY COMPANY, certify that the foregoing power of attorney, the above quoted Sections 14 and 16 of Article IV of the By-Laws and the Resolution of the Board of Directors of November 30, 1959 have not been abridged or revoked and are now in full force and effect.

Signed and Sealed at Hartford, Connecticut, this 13th day of August, 1979



Paul D. Tubach
Assistant Secretary, Surety

5-18097 (BACK)

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

OIL PROCESSING

RESCIND
PERMIT

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION ON
ITS OWN MOTION TO PERMIT OIL PROCESSING
INC., THE TRAVELERS, AND OTHER INTERESTED
PARTIES TO APPEAR AND SHOW CAUSE WHY
THEIR AUTHORITY UNDER ORDER NO. R-6053
TO OPERATE AN OIL TREATING PLANT LOCATED
IN THE NE/4 SE/4 OF SECTION 8, TOWNSHIP
20 SOUTH, RANGE 37 EAST, LEA COUNTY,
NEW MEXICO, SHOULD NOT BE CANCELLED AND
WHY THE SITE OF SUCH PLANT SHOULD NOT
BE RECLAIMED.

CASE NO. 8983
Order No. R-6053-A

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on December 3, 1986, at Santa Fe, New Mexico, before Examiner Michael E. Stogner

NOW, on this 31st day of December 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) By Division Order No. R-6053 dated July 10, 1979, Oil Processing, Inc. was given authority to operate an oil treating plant located in the NE/4 SE/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) The Travelers is the surety on the Oil Conservation Division treating plant bond on which Oil Processing, Inc. is the principal.
- (4) The purpose of said bond is to assure the State that the subject site will be properly and satisfactorily cleared and reclaimed upon cessation of operations.

(5) Prior to this hearing Oil Processing, Inc. was no longer operating and has apparently abandoned said oil treating facility.

(6) No representative from either Oil Processing, Inc. or The Travelers appeared at the hearing to show cause why their authority under Division Order No. R-6053 should not be rescinded.

(7) The current condition of said oil treating facility is such that fresh waters may be contaminated if action is not taken to properly clear and reclaim the site.

(8) Division Order No. R-6053 should therefore be rescinded.

(9) Said treating site should be cleared and reclaimed in accordance with Division General Rule 312(h).

IT IS THEREFORE ORDERED THAT:

(1) Division Order No. R-6053, dated July 10, 1979, which authorized Oil Processing, Inc. to operate an oil treating plant located in the NE/4 SE/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby rescinded.

(2) Oil Processing, Inc. and The Travelers are hereby ordered to clear and reclaim the treating plant site in accordance with Division General Rule 312(h).

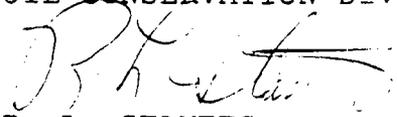
(3) Should Oil Processing, Inc. and/or The Travelers fail or refuse to clear and reclaim said site with the terms of this Order and Rule 312(h), the Division shall take such steps as are necessary to have the site cleared and reclaimed.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Case No. 8983
Order No. R-6053-A
-3-

DONE at Santa Fe, New Mexico, on the day and year
hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


R. L. STAMETS
DIRECTOR

S E A L

OIL PROCESSING

8-20-37

Approx 6 mi S. of Hobbs
W. of Hwy 18

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6577
Order No. R-6053

APPLICATION OF OIL PROCESSING FOR
AN OIL TREATING PLANT PERMIT, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 27, 1979,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 10th day of July, 1979, the Division
Director, having considered the testimony, the record, and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS:

- (1) That due public notice having been given as required
by law, the Division has jurisdiction of this cause and the
subject matter thereof.
- (2) That the applicant, Oil Processing, seeks authority
to construct and operate a chemical and heat-treatment type
oil treating plant in the NE/4 SE/4 of Section 8, Township 20
South, Range 37 East, NMPM, Lea County, New Mexico, for the
reclamation of up to approximately 200 barrels of sediment oil
per day to be obtained from tank bottoms, disposal water, and
waste pits.
- (3) That dikes, dams and/or emergency pits should be
constructed around the plant capable of holding the entire
capacity of all tanks and vessels at the plant location in
order that sediment oil, reclaimed oil, or waste oil cannot
escape from the immediate vicinity of such plant.
- (4) That the two water holding and settling pits proposed
by applicant should be constructed in accordance with the
Division's "Specifications For The Design and Construction of
Lined Evaporation Pits" with the exception of Section 2(A)
concerning minimum surface area.

-3-

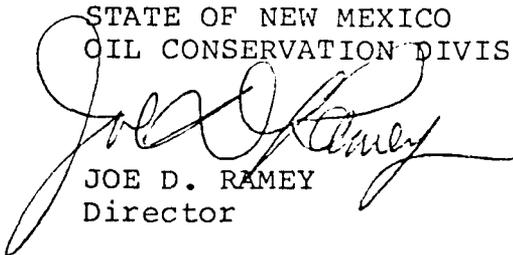
Case No. 6577
Order No. R-6053

(5) That the disposal of waste water accumulated in conjunction with the operation of the above-described plant on the surface of the ground, or in any pit, pond, lake, depression, draw, streambed, or arroyo, or in any watercourse, or in any other place or in any manner which will constitute a hazard to any fresh water supplies is hereby prohibited.

(6) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

S E A L

fd/

State of New Mexico

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

2040 South Pacheco

P.O. Box 6429

Santa Fe, New Mexico 87505-5472



of Processing

11/30/88



Oil Processing

11/30/88



Oil Processing

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Oil Processing

11/30/88



Oil Processing

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Oil Processing

11/30/88



Cl. Addressing

11/30/88

State of New Mexico

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

2040 South Pacheco

P.O. Box 6429

Santa Fe, New Mexico 87505-5472













Oil Processing