

- 30-015-05698 East Shugart Unit No. 022
- 30-025-05135 Lee Whitman A No. 001
- 30-025-05112 Lee Whitman B No. 007
- 30-025-05232 State T No. 007
- 30-025-25570 State T Devonian B No. 009
- 30-025-05204 W T Mann A No. 002

4. OCD's electronic permitting database, "E-Permitting," identifies the wells associated with a particular operator that have not been plugged and abandoned. Attachment A to this affidavit is a printout of the E-Permitting screen showing Americo Energy Resources, LLC (hereinafter, "Operator"), as the operator of the subject wells.

5. ONGARD (Oil and Natural Gas Administration and Revenue Database) maintains data on the financial assurances posted by operators. Attachment B to this affidavit consists of a printout of the ONGARD screen showing that Operator posted a \$50,000.00 surety blanket plugging bond (Bond No. 1007131) through Lexon Insurance Company, 2307 River Road, Suite 200, Louisville, Kentucky 40206. Attachment C to this affidavit is a copy of surety blanket plugging bond no. 1007131.

6. Attachment D to this affidavit is copy of the ONGARD screen and Letter of Credit No. LC767 for the B C Dickinson A 1 No. 001 showing that Operator posted a \$14,510.00 letter of credit for this well through Texas Capital Bank, N.A., 2100 McKinney Ave., Suite 1225, Dallas, Texas 75201.

7. Attachment E to this affidavit is copy of the ONGARD screen and Letter of Credit No. LC769 for the B C Dickinson A 1 No. 002 showing that Operator posted a \$17,570.00 letter of credit for this well through Texas Capital Bank, N.A., 2100 McKinney Ave., Suite 1225, Dallas, Texas 75201.

8. Attachment F to this affidavit is copy of the ONGARD screen and Letter of Credit No. LC768 for the B C Dickinson D No. 005 showing that Operator posted a \$17,475.00 letter of credit for this well through Texas Capital Bank, N.A., 2100 McKinney Ave., Suite 1225, Dallas, Texas 75201.

9. Attachment G to this affidavit is copy of the ONGARD screen and Letter of Credit No. LC770 for the Lee Whitman A No. 001 showing that Operator posted a \$17,575.00 letter of credit for this well through Texas Capital Bank, N.A., 2100 McKinney Ave., Suite 1225, Dallas, Texas 75201.

10. Attachment H to this affidavit is copy of the ONGARD screen and Letter of Credit No. LC774 for the Lee Whitman B No. 007 showing that Operator posted a \$17,654.00 letter of credit for this well through Texas Capital Bank, N.A., 2100 McKinney Ave., Suite 1225, Dallas, Texas 75201.

11. Attachment I to this affidavit is copy of the ONGARD screen and Letter of Credit No. LC766 for the State T No. 007 showing that Operator posted a \$14,231.00

letter of credit for this well through Texas Capital Bank, N.A., 2100 McKinney Ave., Suite 1225, Dallas, Texas 75201.

12. Attachment J to this affidavit is copy of the ONGARD screen and Letter of Credit No. LC772 for the W T Mann A No. 002 showing that Operator posted a \$17,630.00 letter of credit for this well through Texas Capital Bank, N.A., 2100 McKinney Ave., Suite 1225, Dallas, Texas 75201.

13. OCD records show the blanket and single well bonds listed above remaining in effect.

14. Operator has not posted financial assurance on the following federal wells because in New Mexico, Operators of federal wells within New Mexico are not required to post financial assurance with the State of New Mexico to secure the plugging of federal wells:

- 30-015-05684 East Shugart Unit No. 002
- 30-015-05683 East Shugart Unit No. 003
- 30-015-05700 East Shugart Unit No. 007
- 30-015-05698 East Shugart Unit No. 022

15. Attachment K to this affidavit is a printout of the OCD's on-line Inactive Well Additional Financial Assurance Report showing that Operator needs to post additional financial assurance in the amount of \$ 17,800.00 for the State T Devonian No. 009 well.

THIS CONCLUDES MY AFFIDAVIT.


Dorothy Phillips

SUBSCRIBED AND SWORN before me this 24th day of October 2008.


Notary Public

My Commission Expires:

10/7/2011

Well List

228051 AMERICO ENERGY RESOURCES LLC

TOTAL WELL COUNT:86

PRINTED ON:FRIDAY, OCTOBER 24, 2008

Property	Well Name	Lease Type	ULSTR	OCD UL	API	Well Type	Pool	Last Prod/Inj	Oil POD	Gas POD	In Add. Bond
300375	B C DICKINSON A 1 #001	P	L-1 -15S-37E	L	30-025-05222	O	17290 DENTON;WOLFCAMP	3/1998	849110	849130	4/1/2000
	B C DICKINSON A 1 #002	P	L-1 -15S-37E	L	30-025-09868	O	16910 DENTON;DEVONIAN	7/1997	849110	849130	8/1/1999
300376	B C DICKINSON D #003	P	E-35-14S-37E	E	30-025-05177	O	16910 DENTON;DEVONIAN	9/1988	851310	851330	10/1/1990
	B C DICKINSON D #004	P	F-35-14S-37E	F	30-025-05178	O	16910 DENTON;DEVONIAN	8/2008	851310	851330	9/1/2010
	B C DICKINSON D #005	P	C-35-14S-37E	C	30-025-05179	O	16910 DENTON;DEVONIAN	9/2000	851310	851330	10/1/2002
303115	EAST SHUGART UNIT #001	F	P-27-18S-31E	P	30-015-05613	I	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	8/2008			
	EAST SHUGART UNIT #002	F	B-34-18S-31E	B	30-015-05684	I	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	4/2006			
	EAST SHUGART UNIT #003	F	A-34-18S-31E	A	30-015-05683	I	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	3/2006			
	EAST SHUGART UNIT #004	F	D-35-18S-31E	D	30-015-05692	O	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	5/2008	853810	853830	
	EAST SHUGART UNIT #005	F	D-35-18S-31E	D	30-015-05697	O	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	8/2008	853810	853830	
	EAST SHUGART UNIT #006	F	C-35-18S-31E	C	30-015-05696	I	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	8/2008			
	EAST SHUGART UNIT #007	F	B-35-18S-31E	B	30-015-05700	O	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	5/2005	853810	853830	
	EAST SHUGART UNIT #008	F	A-35-18S-31E	A	30-015-05704	O	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	6/2008	853810	853830	
	EAST SHUGART UNIT #009	F	H-35-18S-31E	H	30-015-05703	I	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	8/2008	853810	853830	
	EAST SHUGART UNIT #011	F	F-35-18S-31E	F	30-015-05695	O	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	5/2008	853810	853830	
	EAST SHUGART UNIT #013	F	H-34-18S-31E	H	30-015-05681	O	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	8/2008	853810	853830	
	EAST SHUGART UNIT #014	F	G-34-18S-31E	G	30-015-05682	O	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	5/2008	853810	853830	
	EAST SHUGART UNIT #015	F	F-34-18S-31E	F	30-015-05687	I	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	8/2008			
	EAST SHUGART UNIT #017	F	K-34-18S-31E	K	30-015-05686	O	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	5/2008	853810	853830	
	EAST SHUGART UNIT #018	F	J-34-18S-31E	J	30-015-05679	O	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	6/2008	853810	853830	
	EAST SHUGART UNIT #020	F	L-35-18S-31E	L	30-015-05702	I	56439 SHUGART;YATES- 7RS-QU-GRAYBURG	8/2008			

Case 14189
 Americo Energy Resources, LLC
 OCD Exhibit No. 2-A

EAST SHUGART UNIT #021	F	K-35-18S-31E	K	30-015-05693	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830
EAST SHUGART UNIT #022	F	J-35-18S-31E	J	30-015-05698	I	56439	SHUGART;YATES-7RS-QU-GRAYBURG	4/2006		
EAST SHUGART UNIT #023	F	O-35-18S-31E	O	30-015-05699	I	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008		
EAST SHUGART UNIT #024	F	N-35-18S-31E	N	30-015-05691	I	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008		
EAST SHUGART UNIT #025	F	M-35-18S-31E	M	30-015-05690	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830
EAST SHUGART UNIT #027	F	O-34-18S-31E	O	30-015-05677	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830
EAST SHUGART UNIT #029	F	N-34-18S-31E	N	30-015-05685	I	56439	SHUGART;YATES-7RS-QU-GRAYBURG	1/2008		
EAST SHUGART UNIT #031	F	2-3-19S-31E	B	30-015-05719	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008	853810	853830
EAST SHUGART UNIT #032	F	M-35-18S-31E	M	30-015-20254	I	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008		
EAST SHUGART UNIT #033	F	K-34-18S-31E		30-015-26484	I	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008		
EAST SHUGART UNIT #034	F	3-3-19S-31E	C	30-015-26483	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008	853810	853830
EAST SHUGART UNIT #035	F	E-35-18S-31E	E	30-015-27428	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008		
EAST SHUGART UNIT #036	F	J-34-18S-31E	J	30-015-27436	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008		
EAST SHUGART UNIT #037	F	I-34-18S-31E	I	30-015-27462	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008		
EAST SHUGART UNIT #038	F	O-34-18S-31E		30-015-27429	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830
EAST SHUGART UNIT #039	F	P-34-18S-31E	P	30-015-27430	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008		
EAST SHUGART UNIT #040	F	H-34-18S-31E		30-015-27690	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830
EAST SHUGART UNIT #041	F	G-34-18S-31E		30-015-27676	I	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830
EAST SHUGART UNIT #042	F	A-34-18S-31E		30-015-27670	I	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008		
EAST SHUGART UNIT #043	F	B-34-18S-31E		30-015-27671	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008	853810	853830
EAST SHUGART UNIT #044	F	D-35-18S-31E		30-015-27681	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	852830
EAST SHUGART UNIT #045	F	L-35-18S-31E	L	30-015-27867	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008	853810	853830
EAST SHUGART UNIT #046	F	O-34-18S-31E	O	30-015-27870	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830
EAST SHUGART UNIT #047	F	F-35-18S-31E	F	30-015-27871	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008	853810	853830
EAST	F	B-35-18S-31E	B	30-015-27873	O	56439	SHUGART;YATES-	8/2008	853810	853830

Well Name	Unit	Location	Block	Section	Line	Area	Operator	Completion Date	Production 1	Production 2	Production 3
SHUGART UNIT #049											
EAST SHUGART UNIT #050	F	G-35-18S-31E	G	30-015-27944	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008	853810	853830	
EAST SHUGART UNIT #051	F	P-34-18S-31E	P	30-015-27945	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830	
EAST SHUGART UNIT #052	F	B-35-18S-31E	B	30-015-27946	I	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008			
EAST SHUGART UNIT #054	F	F-34-18S-31E	F	30-015-27948	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008	853810	853830	
EAST SHUGART UNIT #055	S	2-3-19S-31E	B	30-015-27956	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008	853810	853830	6/1/2010
EAST SHUGART UNIT #056	F	G-35-18S-31E	G	30-015-27949	I	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008			
EAST SHUGART UNIT #057	F	N-35-18S-31E	N	30-015-27950	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830	
EAST SHUGART UNIT #058	F	K-35-18S-31E	K	30-015-27951	I	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830	
EAST SHUGART UNIT #059	F	N-34-18S-31E	N	30-015-27952	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830	
EAST SHUGART UNIT #061	F	H-35-18S-31E	H	30-015-28202	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830	
EAST SHUGART UNIT #062	F	G-3-19S-31E	G	30-015-27953	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830	
EAST SHUGART UNIT #063	F	J-34-18S-31E	J	30-015-28217	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830	
EAST SHUGART UNIT #066	F	L-34-18S-31E	L	30-015-27955	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008	853810	853830	
EAST SHUGART UNIT #067	F	I-34-18S-31E	I	30-015-27958	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830	
EAST SHUGART UNIT #069	F	C-35-18S-31E	C	30-015-28218	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008	853810	853830	
EAST SHUGART UNIT #070	F	M-35-18S-31E	M	30-015-28209	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830	
EAST SHUGART UNIT #071	F	M-35-18S-31E	M	30-015-28211	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830	
EAST SHUGART UNIT #072	F	L-35-18S-31E	L	30-015-28203	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830	
EAST SHUGART UNIT #074	F	O-35-18S-31E	O	30-015-28359	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830	
EAST SHUGART UNIT #075	F	A-35-18S-31E	K	30-015-28204	I	56439	SHUGART;YATES-7RS-QU-GRAYBURG	6/2008			
EAST SHUGART UNIT #076	F	F-35-18S-31E	F	30-015-28201	I	56439	SHUGART;YATES-7RS-QU-GRAYBURG	8/2008			
EAST SHUGART UNIT #077	F	J-35-18S-31E	J	30-015-28219	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008	853810	853830	
EAST SHUGART UNIT #078	F	K-35-18S-31E	K	30-015-28278	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008	2813733	853530	
EAST SHUGART	F	E-35-18S-31E	E	30-015-28326	O	56439	SHUGART;YATES-7RS-QU-GRAYBURG	5/2008	853510	853530	

	UNIT #079												
	EAST SHUGART UNIT #083	F	P-34-18S-31E	P	30-015-28776	O	56439 SHUGART;YATES-7RS-QU-GRAYBURG	5/2008	853810	853830			
	EAST SHUGART UNIT #086	F	P-34-18S-31E	P	30-015-29917	O	56439 SHUGART;YATES-7RS-QU-GRAYBURG	8/2008	853810	853830			
303505	EAST SHUGART WSW #001	F	F-35-18S-31E	F	30-015-22603	W	56439 SHUGART;YATES-7RS-QU-GRAYBURG	1/2002					
300378	LEE WHITMAN A #001	P	G-26-14S-37E	G	30-025-05135	O	16910 DENTON;DEVONIAN	3/1992	851710	851730	4/1/1994		
	LEE WHITMAN A #004	P	H-26-14S-37E	H	30-025-05138	O	16910 DENTON;DEVONIAN	2/1999	851710	851730	3/1/2001		
300379	LEE WHITMAN B #007	P	O-23-14S-37E	O	30-025-05112	O	16910 DENTON;DEVONIAN	3/2002	851610	851630	4/1/2004		
300380	STATE T #005	S	K-2 -15S-37E	K	30-025-05230	O	17290 DENTON;WOLFCAMP	7/2008	849310	849330	8/1/2010		
	STATE T #006	S	F-2 -15S-37E	F	30-025-05231	O	17290 DENTON;WOLFCAMP	8/2008	849310	849330	9/1/2010		
	STATE T #007	S	N-2 -15S-37E	N	30-025-05232	O	16910 DENTON;DEVONIAN	5/2004	849310	849330	6/1/2006		
	STATE T #008	S	M-2 -15S-37E	M	30-025-05233	O	17290 DENTON;WOLFCAMP	8/2008	849310	849330	9/1/2010		
303405	State T Devonian #002	S	F-2 -15S-37E	F	30-025-05227	O	16910 DENTON;DEVONIAN	8/2008	849310	849330	9/1/2010		
	State T Devonian #003	S	K-2 -15S-37E	K	30-025-05228	O	16910 DENTON;DEVONIAN	9/2007	849310	849330	10/1/2009		
	State T Devonian #004	S	M-2 -15S-37E	M	30-025-05229	O	16910 DENTON;DEVONIAN	8/2008	849310	849330	9/1/2010		
	State T Devonian #009	S	N-2 -15S-37E	N	30-025-25570	O	16910 DENTON;DEVONIAN	5/2006	849310	849330	6/1/2008		
300381	W T MANN A #002	P	B-36-14S-37E	B	30-025-05204	O	16910 DENTON;DEVONIAN	12/1992	851410	851430	1/1/1995		
300382	W T MANN B #004	P	J-36-14S-37E	J	30-025-05207	O	16910 DENTON;DEVONIAN	9/1990	851510	851530	10/1/1992		

CMD :
OG6CBBD

ONGARD
CAPTURE BLANKET BONDS

06/07/04 14:11:57
OGODLP -TPWC

OGRID Identifier : 228051 Bond Idn : 249518 Bond Status : A
Operator Name, Address : AMERICO ENERGY RESOURCES LLC
PO BOX 19163
HOUSTON, TX 77224

Bond Details- Type (Cash/Surety - C/S): S Bond Co Idn: 12 Amount: 50000.00
Company OGRID Identifier: 224684
Company Name, Address : LEXON INSURANCE COMPANY
PO BOX 98
LOUISVILLE, KY 40201

Limited as to future Liability (Y/N) : N If Limited, End Date :

Effective Date : 01-01-1900 Cancellation Date : 12-31-9999

Issuer Bond No : 1007131

M0015: Table update is successful.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 PRINT PF10 NXTBOND PF11 PF12

Case 14189
Americo Energy Resources, LLC
OCD Exhibit No. 2-B

STATE OF NEW MEXICO

\$50,000 BLANKET PLUGGING BOND

BOND NO. 1007131

File with the OIL CONSERVATION DIVISION, 1220 South St. Francis, Santa Fe, New Mexico 87505

KNOW ALL MEN BY THESE PRESENTS

That Americo Energy Resources, LLC (an individual) (a partnership) (a corporation) organized in the State of Texas with its principal office in the City of Houston State of Texas and authorized to do business in the State of New Mexico), as PRINCIPAL, and Lexon Insurance Company, a corporation organized and existing under the laws of the State of Texas and authorized to do business in the State of New Mexico, as SURETY, are firmly bound unto the State of New Mexico for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department of New Mexico (DIVISION) pursuant to NMSA 1978, Section 70-2-14, as amended, in the sum of **Fifty Thousand Dollars (\$50,000)** for the payment of which the 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 PRINCIPAL has commenced or may commence the drilling of wells to prospect for and produce oil or gas, carbon dioxide gas, helium gas or brine minerals or does own or may acquire, own or operate such well or such wells started by others, the identification and location of said wells being expressly waived by both PRINCIPAL and SURETY.

NOW, THEREFORE, if the PRINCIPAL and SURETY or either of them or their successors or assigns, or any of them, shall plug all of said wells when dry or when abandoned in accordance with the rules and orders of the of DIVISION in such a way as to confine the oil, gas, brine 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.

PROVIDED HOWEVER, that 30 days after receipt by the DIVISION of written notice of cancellation from the SURETY, the obligation of the SURETY shall terminate as to property or wells acquired, drilled, or started after said 30-day period but shall continue in effect, notwithstanding said notice, as to property or wells theretofore acquired, drilled or started.

Americo Energy Resources, LLC
PRINCIPAL
10940 Old Katy Rd, Ste 100
Houston, TX 77024

Address
By M. Al
Signature
Vice President
Title

If PRINCIPAL is a corporation,
affix corporate seal here.

Lexon Insurance Company
SURETY
2307 River Rd, Ste 200
Louisville, KY 40206

Address
[Signature]
Attorney - In-Fact
James T. Smith

Corporate surety affix
corporate seal here.

CMD :
OGGOWBD

ONGARD
CAPTURE SINGLE WELL BOND

08/29/07 14:54:35
OGDLP -TQ75

OGRID Identifier : 228051 API Well No : 30 25 5202
Operator Name, Address : AMEPICG ENERGY RESOURCES LLC
7575 SAN FELIPE
SUITE 200
HOUSTON, TX 77063

Bond Idn : 250586 Bond Status : A Prop Idn : 300375
Prop Name : B C DICKINSON A 1

Well No : 001

U/L Sec	Township	Range	North/South	East/West	Lot Idn
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Surface Locn :	L	1	15S	37E	FTG 1980 F S	FTG 660 F W
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API County : 25

Bond Details : Type (Cash/Surety - C/S) : C Bond Co Idn : 13 Amt : 14510
Company OGRID Identifier : 219078
Company Name, Address : TEXAS CAPITAL BANK
2100 MCKINNEY AVE
SUITE 900

Effective Date : 01-01-1900

Cancellation Date : 12-31-9999

Issuer Bond No : LOC - LC767

M0015: Table update is successful.

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 COMMENT	PF10 NXTBOND	PF11	PF12



TEXAS CAPITAL BANK

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division

Irrevocable Letter of Credit
(5-Year - Automatically Renewable)

File with Oil Conservation Division, 1220 South St. Francis, Santa Fe, New Mexico 87505

LETTER OF CREDIT NO. LC 767 API Number 30-025-05222
Effective Date: June 28, 2007

Texas Capital Bank, N.A. [Name of FINANCIAL INSTITUTION], a national or state chartered banking association, as ISSUER, hereby establishes this irrevocable Letter of Credit for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department (or successor agency) of the State of New Mexico (the DIVISION), pursuant to NMSA 1978, Section 70-2-14, as amended, for an aggregate amount not to exceed Fourteen Thousand Five Hundred Ten and 00/100ths U.S. Dollars (\$14,510.00) in United States dollars (Face Amount) effective on the date indicated above. This Letter of Credit is established for AmeriCo Energy Resources, LLC [Name of Operator], whose address is 7575 San Felipe, Suite 200, Houston, Texas 77063, as APPLICANT.

1. The APPLICANT has requested that this letter of credit be issued to the DIVISION as financial assurance for the APPLICANT pursuant to statutory and regulatory requirements of the State of New Mexico set forth in Section 70-2-14 NMSA, as amended, and in Rule 101 [19.15.3.101 NMAC].

2. This Letter of Credit is irrevocable for the term hereof, and is furnished as financial assurance for the compliance by the APPLICANT with all applicable statutes of the State of New Mexico and with all rules and orders of the Oil Conservation Commission and DIVISION, including requirements to cause wells in the State of New Mexico now or hereafter owned or operated by Applicant to be properly plugged and abandoned, if dry, or when no longer productive or useful for a beneficial purpose, in accordance with the rules and orders of the Division, including but not limited to Rule 101 [19.15.3.101 NMAC] and Rule 202 [19.15.4.202 NMAC], as the same now exist or may be hereafter amended.

3. This Letter of Credit will expire on June 30, 2012 [**not less than five (5) years from the effective date of the Letter of Credit**]; unless sooner released by written notice to the ISSUER by the DIVISION. Upon the expiration date, this Letter of Credit shall be automatically renewed for an additional term of five years commencing on such expiration date, and likewise for successive terms of five years each upon the occurrence of each subsequent scheduled expiration date, unless the ISSUER has, at least thirty days prior to any scheduled expiration date, mailed written notice of non-renewal, by certified mail, return receipt requested, to the DIVISION. This Letter of Credit may be forfeited and collected by the DIVISION if not replaced by approved financial assurance at least 30 days before the expiration date hereof.

4. Funds under this Letter of Credit are available against the DIVISION's sight draft, in the form of Exhibit A, specifying Letter of Credit No. LC 767, delivered to the office of the ISSUER at Letter of Credit Unit, 2100 McKinney Ave., Suite 1225, Letter of Credit Unit, Dallas, Texas 75201 [address], accompanied by a certificate in the form of Exhibit B, signed by the Director of the DIVISION or the Director's duly authorized representative. At the Division's sole election, the DIVISION may present sight drafts for less than the Face Amount at any time and from time to time so long as this letter of credit remains in force, provided that the aggregate amount of all such drafts shall not exceed the Face Amount.

5. If the ISSUER receives the DIVISION's sight draft(s) and certificate(s) as provided in Paragraph 4, above, on or before the expiration or termination of this Letter of Credit, the ISSUER shall make such amount as the DIVISION may specify, up to an aggregate amount not to exceed the Face

Letter of Credit Num. LC 767

June 28, 2007 

Amount of this Letter of Credit, available to the DIVISION no later than 5 p.m. in Santa Fe, NM on the second business day following the ISSUER's receipt of the sight draft and certificate, and in such a manner as the DIVISION may specify.

6. The ISSUER shall give prompt notice to the APPLICANT and to the DIVISION of any notice received or action filed alleging the insolvency or bankruptcy of the ISSUER, or alleging any violations of regulatory requirements that could result in suspension or revocation of the ISSUER's charter or license to do business.

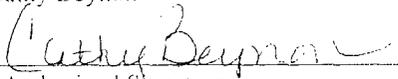
7. This Letter of Credit shall be governed by the laws of the State of New Mexico, and, to the extent not inconsistent with such laws, by International Chamber of Commerce Publication No. 500, entitled "Uniform Customs and Practice for Documentary Credits" (most recent revision).

8. All communications regarding this Letter of Credit shall be addressed to the ISSUER at Letter of Credit Unit, 2100 McKinney Ave., Suite 1225, Dallas, Texas 75201 [address], referencing Letter of Credit No. LC 767.

Very truly yours,

Texas Capital Bank, N.A

By: Cathy Beynon


Authorized Signature

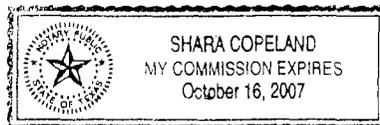
Effective Date June 28, 2007

State of Texas
County of Dallas

This instrument was acknowledged before me on this 28th day of June, 2007 by Cathy Beynon, Vice President of Texas Capital Bank, N.A. (ISSUER).

My Commission Expires:





Notary Public

NOTICE: The attached exhibits must be initialed by the party signing this letter of credit for the Financial Institution. If this letter of credit is executed by an officer other than the President, a Vice President, or a branch manager, it must be accompanied by a certified resolution of the Board of Directors of the Financial Institution, certifying to the authority of the signing officer to execute letters of credit in at least the Face Amount.

EXHIBIT A - SIGHT DRAFT

to

Letter of Credit No. LC 767

Date

PAY TO THE ORDER OF **NEW MEXICO OIL CONSERVATION DIVISION**

(\$ _____) _____ DOLLARS

TO: Texas Capital Bank N.A.
2400 McKinney Ave., Suite 1225
Letter of Credit Unit
Dallas, Texas 75201

New Mexico Energy Minerals and
Natural Resources Department
Oil Conservation Division
1220 South St. Francis
Santa Fe, New Mexico 87505

By: _____

Date _____

**Initials of Representative of
Financial Institution**

S.P.

EXHIBIT B
to
Letter of Credit No. LC 767

I, _____, a duly authorized representative of the New Mexico Oil Conservation Division, hereby certify that: (1) the drawing in the amount of _____ Dollars (\$ _____), by sight draft accompanying this certificate, under Letter of Credit No. _____ dated _____ issued by you, is duly authorized in accordance with the New Mexico Oil and Gas Act (NMSA 1978, Sections 70-2-1 through 70-2-38, as amended) and applicable rules of the New Mexico Oil Conservation Division; (2) the amount of the sight draft, together with any amounts previously drawn under the Letter of Credit, does not exceed the Face Amount of the Letter of Credit; and (3) the New Mexico Oil Conservation Division has directed the forfeiture of the Letter of Credit.

New Mexico Oil Conservation Division

By: _____

Date _____

**Initials of Representative of
Financial Institution**



3CMD :
OGCOWBD

ONGARD
CAPTURE SINGLE WELL BOND

02/29/07 14:58:30
OGCOWBD -T276

OGRID Identifier : 228051 API Well No : 30 25 9868
Operator Name, Address : AMERICO ENERGY RESOURCES LLC
7575 SAN FELIPE
SUITE 200
HOUSTON, TX 77063

Bond Idn : 250588 Bond Status : A Prop Idn : 300375

Prop Name : B C DICKINSON A 1 Well No : 002
U/L Sec Township Range North/South East/West Lot Idn

Surface Locn : L 1 15S 37E FTG 2240 F S FTG 400 F W

API County : 25

Bond Details : Type (Cash/Surety - C/S) : C Bond Co Idn : 13 Amt : 17570

Company OGRID Identifier : 219078

Company Name, Address : TEXAS CAPITAL BANK

2100 MCKINNEY AVE

SUITE 900

Effective Date : 01-01-1900

Cancellation Date : 12-31-9999

Issuer Bond No : LOC - LC769

MG015: Table update is successful.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 COMMENT PF10 NXTBOND PF11 PF12



TEXAS CAPITAL BANK

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division

Irrevocable Letter of Credit
(5-Year - Automatically Renewable)

File with Oil Conservation Division, 1220 South St. Francis, Santa Fe, New Mexico 87505

LETTER OF CREDIT NO. LC 769 API Number 30-025-09868
Effective Date: June 28, 2007

Texas Capital Bank, N.A. [Name of FINANCIAL INSTITUTION], a national or state chartered banking association, as ISSUER, hereby establishes this irrevocable Letter of Credit for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department (or successor agency) of the State of New Mexico (the DIVISION), pursuant to NMSA 1978, Section 70-2-14, as amended, for an aggregate amount not to exceed Seventeen Thousand Five Hundred Seventy and 00/100ths U.S. Dollars (\$17,570.00) in United States dollars (Face Amount) effective on the date indicated above. This Letter of Credit is established for AmeriCo Energy Resources, LLC [Name of Operator], whose address is 7575 San Felipe, Suite 200, Houston, Texas 77063, as APPLICANT.

1. The APPLICANT has requested that this letter of credit be issued to the DIVISION as financial assurance for the APPLICANT pursuant to statutory and regulatory requirements of the State of New Mexico set forth in Section 70-2-14 NMSA, as amended, and in Rule 101 [19.15.3.101 NMAC].

2. This Letter of Credit is irrevocable for the term hereof, and is furnished as financial assurance for the compliance by the APPLICANT with all applicable statutes of the State of New Mexico and with all rules and orders of the Oil Conservation Commission and DIVISION, including requirements to cause wells in the State of New Mexico now or hereafter owned or operated by Applicant to be properly plugged and abandoned, if dry, or when no longer productive or useful for a beneficial purpose, in accordance with the rules and orders of the Division, including but not limited to Rule 101 [19.15.3.101 NMAC] and Rule 202 [19.15.4.202 NMAC], as the same now exist or may be hereafter amended.

3. This Letter of Credit will expire on June 30, 2012 **[not less than five (5) years from the effective date of the Letter of Credit]**; unless sooner released by written notice to the ISSUER by the DIVISION. Upon the expiration date, this Letter of Credit shall be automatically renewed for an additional term of five years commencing on such expiration date, and likewise for successive terms of five years each upon the occurrence of each subsequent scheduled expiration date, unless the ISSUER has, at least thirty days prior to any scheduled expiration date, mailed written notice of non-renewal, by certified mail, return receipt requested, to the DIVISION. This Letter of Credit may be forfeited and collected by the DIVISION if not replaced by approved financial assurance at least 30 days before the expiration date hereof.

4. Funds under this Letter of Credit are available against the DIVISION's sight draft, in the form of Exhibit A, specifying Letter of Credit No. LC 769, delivered to the office of the ISSUER at Letter of Credit Unit, 2100 McKinney Ave., Suite 1225, Letter of Credit Unit, Dallas, Texas 75201 [address], accompanied by a certificate in the form of Exhibit B, signed by the Director of the DIVISION or the Director's duly authorized representative. At the Division's sole election, the DIVISION may present sight drafts for less than the Face Amount at any time and from time to time so long as this letter of credit remains in force, provided that the aggregate amount of all such drafts shall not exceed the Face Amount.

5. If the ISSUER receives the DIVISION's sight draft(s) and certificate(s) as provided in Paragraph 4, above, on or before the expiration or termination of this Letter of Credit, the ISSUER shall make such amount as the DIVISION may specify, up to an aggregate amount not to exceed the Face

Letter of Credit Num. LC 769

June 28, 2007

Amount of this Letter of Credit, available to the DIVISION no later than 5 p.m. in Santa Fe, NM on the second business day following the ISSUER's receipt of the sight draft and certificate, and in such a manner as the DIVISION may specify.

6. The ISSUER shall give prompt notice to the APPLICANT and to the DIVISION of any notice received or action filed alleging the insolvency or bankruptcy of the ISSUER, or alleging any violations of regulatory requirements that could result in suspension or revocation of the ISSUER's charter or license to do business.

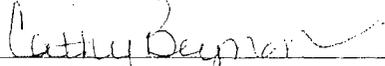
7. This Letter of Credit shall be governed by the laws of the State of New Mexico, and, to the extent not inconsistent with such laws, by International Chamber of Commerce Publication No. 500, entitled "Uniform Customs and Practice for Documentary Credits" (most recent revision).

8. All communications regarding this Letter of Credit shall be addressed to the ISSUER at Letter of Credit Unit, 2100 McKinney Ave., Suite 1225, Dallas, Texas 75201 [address], referencing Letter of Credit No. LC 769.

Very truly yours,

Texas Capital Bank, N.A

By: Cathy Beynon

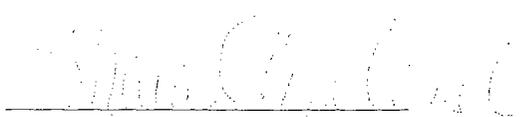


Authorized Signature

Effective Date June 28, 2007

State of Texas
County of Dallas

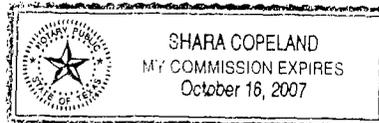
This instrument was acknowledged before me on this 28th day of June, 2007 by Cathy Beynon, Vice President of Texas Capital Bank, N.A. (ISSUER).



Notary Public

My Commission Expires:





NOTICE: The attached exhibits must be initialed by the party signing this letter of credit for the Financial Institution. If this letter of credit is executed by an officer other than the President, a Vice President, or a branch manager, it must be accompanied by a certified resolution of the Board of Directors of the Financial Institution, certifying to the authority of the signing officer to execute letters of credit in at least the Face Amount.

EXHIBIT A - SIGHT DRAFT

to

Letter of Credit No. LC 769

Date

PAY TO THE ORDER OF NEW MEXICO OIL CONSERVATION DIVISION

(\$ _____) _____ DOLLARS

TO: Texas Capital Bank N.A.
2100 McKinney Ave., Suite 1225
Letter of Credit Unit
Dallas, Texas 75201

New Mexico Energy Minerals and
Natural Resources Department
Oil Conservation Division
1220 South St. Francis
Santa Fe, New Mexico 87505

By: _____

Date _____

**Initials of Representative of
Financial Institution**

Letter of Credit Num. LC 769

June 28, 2007

EXHIBIT B
to
Letter of Credit No. LC 769

I, _____, a duly authorized representative of the New Mexico Oil Conservation Division, hereby certify that: (1) the drawing in the amount of _____ Dollars (\$ _____), by sight draft accompanying this certificate, under Letter of Credit No. _____ dated _____ issued by you, is duly authorized in accordance with the New Mexico Oil and Gas Act (NMSA 1978, Sections 70-2-1 through 70-2-38, as amended) and applicable rules of the New Mexico Oil Conservation Division; (2) the amount of the sight draft, together with any amounts previously drawn under the Letter of Credit, does not exceed the Face Amount of the Letter of Credit; and (3) the New Mexico Oil Conservation Division has directed the forfeiture of the Letter of Credit.

New Mexico Oil Conservation Division

By: _____

Date _____

**Initials of Representative of
Financial Institution**

JB

CMB :
OGECWED

OHGARD
CAPTURE SINGLE WELL BOND

08/29/07 14:57:07
OGODLR -T07G

OGPID Identifier : 228051 API Well No : 30 25 \$179
Operator Name, Address : AMERICO ENERGY RESOURCES LLC
7575 SAN FELIPE
SUITE 200
HOUSTON, TX 77063

Bond Idn : 250587 Bond Status : A Prop Idn : 300376

Prop Name : B C DICKINSON D Well No : 005

U/L Sec Township Range North/South East/West Lot Idn

Surface Locn : C 35 14S 37E FTG 660 F N FTG 1990 F W

API County : 25

Bond Details : Type (Cash/Surety - C/S) : C Bond Co Idn : 13 Amt : 17475

Company OGPID Identifier : 219078

Company Name, Address : TEXAS CAPITAL BANK

2100 MCKINNEY AVE

SUITE 900

Effective Date : 01-01-1900

Cancellation Date : 12-31-9999

Issuer Bond No : LCC - LC768

M0015: Table update is successful.

PF01 HELP PF02 PF03 EXIT PF04 GOT6 PF05 PF06 CONFIRM
PF07 PF08 PF09 COMMENT PF10 NXTBOND PF11 PF12

Case 14189
Americo Energy Resources, LLC
OCD Exhibit No. 2-F



TEXAS CAPITAL BANK

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division

Irrevocable Letter of Credit
(5-Year - Automatically Renewable)

File with Oil Conservation Division, 1220 South St. Francis, Santa Fe, New Mexico 87505

LETTER OF CREDIT NO. LC 768 API Number 30-025-05179
Effective Date: June 28, 2007

Texas Capital Bank, N.A. [Name of FINANCIAL INSTITUTION], a national or state chartered banking association, as ISSUER, hereby establishes this irrevocable Letter of Credit for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department (or successor agency) of the State of New Mexico (the DIVISION), pursuant to NMSA 1978, Section 70-2-14, as amended, for an aggregate amount not to exceed Seventeen Thousand Four Hundred Seventy Five and 00/100ths U.S. Dollars (\$17,475.00) in United States dollars (Face Amount) effective on the date indicated above. This Letter of Credit is established for AmeriCo Energy Resources, LLC [Name of Operator], whose address is 7575 San Felipe, Suite 200, Houston, Texas 77063, as APPLICANT.

1. The APPLICANT has requested that this letter of credit be issued to the DIVISION as financial assurance for the APPLICANT pursuant to statutory and regulatory requirements of the State of New Mexico set forth in Section 70-2-14 NMSA, as amended, and in Rule 101 [19.15.3.101 NMAC].

2. This Letter of Credit is irrevocable for the term hereof, and is furnished as financial assurance for the compliance by the APPLICANT with all applicable statutes of the State of New Mexico and with all rules and orders of the Oil Conservation Commission and DIVISION, including requirements to cause wells in the State of New Mexico now or hereafter owned or operated by Applicant to be properly plugged and abandoned, if dry, or when no longer productive or useful for a beneficial purpose, in accordance with the rules and orders of the Division, including but not limited to Rule 101 [19.15.3.101 NMAC] and Rule 202 [19.15.4.202 NMAC], as the same now exist or may be hereafter amended.

3. This Letter of Credit will expire on June 30, 2012 [not less than five (5) years from the effective date of the Letter of Credit]; unless sooner released by written notice to the ISSUER by the DIVISION. Upon the expiration date, this Letter of Credit shall be automatically renewed for an additional term of five years commencing on such expiration date, and likewise for successive terms of five years each upon the occurrence of each subsequent scheduled expiration date, unless the ISSUER has, at least thirty days prior to any scheduled expiration date, mailed written notice of non-renewal, by certified mail, return receipt requested, to the DIVISION. This Letter of Credit may be forfeited and collected by the DIVISION if not replaced by approved financial assurance at least 30 days before the expiration date hereof.

4. Funds under this Letter of Credit are available against the DIVISION's sight draft, in the form of Exhibit A, specifying Letter of Credit No. LC 768, delivered to the office of the ISSUER at Letter of Credit Unit, 2100 McKinney Ave., Suite 1225, Letter of Credit Unit, Dallas, Texas 75201 [address], accompanied by a certificate in the form of Exhibit B, signed by the Director of the DIVISION or the Director's duly authorized representative. At the Division's sole election, the DIVISION may present sight drafts for less than the Face Amount at any time and from time to time so long as this letter of credit remains in force, provided that the aggregate amount of all such drafts shall not exceed the Face Amount.

5. If the ISSUER receives the DIVISION's sight draft(s) and certificate(s) as provided in Paragraph 4. above, on or before the expiration or termination of this Letter of Credit, the ISSUER shall make such amount as the DIVISION may specify, up to an aggregate amount not to exceed the Face

Letter of Credit Num. LC 768

June 28, 2007

Amount of this Letter of Credit, available to the DIVISION no later than 5 p.m. in Santa Fe, NM on the second business day following the ISSUER's receipt of the sight draft and certificate, and in such a manner as the DIVISION may specify.

6. The ISSUER shall give prompt notice to the APPLICANT and to the DIVISION of any notice received or action filed alleging the insolvency or bankruptcy of the ISSUER, or alleging any violations of regulatory requirements that could result in suspension or revocation of the ISSUER's charter or license to do business.

7. This Letter of Credit shall be governed by the laws of the State of New Mexico, and, to the extent not inconsistent with such laws, by International Chamber of Commerce Publication No. 500, entitled "Uniform Customs and Practice for Documentary Credits" (most recent revision).

8. All communications regarding this Letter of Credit shall be addressed to the ISSUER at Letter of Credit Unit, 2100 McKinney Ave., Suite 1225, Dallas, Texas 75201 [address], referencing Letter of Credit No. LC 768.

Very truly yours,

Texas Capital Bank, N.A

By: Cathy Beynon



Authorized Signature

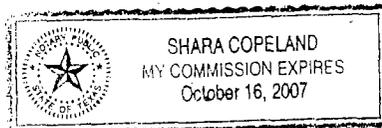
Effective Date June 28, 2007

State of Texas
County of Dallas

This instrument was acknowledged before me on this 28th day of June, 2007 by Cathy Beynon, Vice President of Texas Capital Bank, N.A. (ISSUER).

My Commission Expires:

10/16/2007





Notary Public

NOTICE: The attached exhibits must be initialed by the party signing this letter of credit for the Financial Institution. If this letter of credit is executed by an officer other than the President, a Vice President, or a branch manager, it must be accompanied by a certified resolution of the Board of Directors of the Financial Institution, certifying to the authority of the signing officer to execute letters of credit in at least the Face Amount.

EXHIBIT A - SIGHT DRAFT
to
Letter of Credit No. LC 768

Date

PAY TO THE ORDER OF **NEW MEXICO OIL CONSERVATION DIVISION**

(\$ _____) _____ DOLLARS

TO: Texas Capital Bank N.A.
2100 McKinney Ave., Suite 1225
Letter of Credit Unit
Dallas, Texas 75201

New Mexico Energy Minerals and
Natural Resources Department
Oil Conservation Division
1220 South St. Francis
Santa Fe, New Mexico 87505

By: _____

Date _____

**Initials of Representative of
Financial Institution**



EXHIBIT B
to
Letter of Credit No. LC 768

I, _____, a duly authorized representative of the New Mexico Oil Conservation Division, hereby certify that: (1) the drawing in the amount of _____ Dollars (\$ _____), by sight draft accompanying this certificate, under Letter of Credit No. _____ dated _____ issued by you, is duly authorized in accordance with the New Mexico Oil and Gas Act (NMSA 1978, Sections 70-2-1 through 70-2-38, as amended) and applicable rules of the New Mexico Oil Conservation Division; (2) the amount of the sight draft, together with any amounts previously drawn under the Letter of Credit, does not exceed the Face Amount of the Letter of Credit; and (3) the New Mexico Oil Conservation Division has directed the forfeiture of the Letter of Credit.

New Mexico Oil Conservation Division

By: _____

Date _____

**Initials of Representative of
Financial Institution**

APZ

CMD :
OGSCWBD

ONGAPD
CAPTURE SINGLE WELL BOND

06/29/07 14:59:23
OGOLLP -TQ7G

OGRID Identifier : 228051 API Well No : 30 25 5135
Operator Name, Address : AMEPICO ENERGY RESOURCES LLC
7575 SAN FELIPE
SUITE 200
HOUSTON, TX 77063

Bond Idn : 250589 Bond Status : A Prop Idn : 300378

Prop Name : LEE WHITMAN A Well No : 001
U/L Sec Township Range North/South East/West Lot Idn

Surface Loch : G 25 14S 37E FTG 1980 F N FTG 1980 F E

API County : 25

Bond Details : Type (Cash/Surety - C/S) : C Bond Co Idn : 13 Amt : 17575
Company OGRID Identifier : 219078
Company Name, Address : TEXAS CAPITAL BANK
2100 MCKINNEY AVE
SUITE 900

Effective Date : 01-01-1990 Cancellation Date : 12-31-9999

Issuer Bond No : LOC-LC 770

M0915: Table update is successful.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 COMMENT PF10 NXTBOND PF11 PF12



TEXAS CAPITAL BANK

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division

Irrevocable Letter of Credit
(5-Year - Automatically Renewable)

File with Oil Conservation Division, 1220 South St. Francis, Santa Fe, New Mexico 87505

LETTER OF CREDIT NO. LC 770 API Number 30-025-05135
Effective Date: June 28, 2007

Texas Capital Bank, N.A. [Name of FINANCIAL INSTITUTION], a national or state chartered banking association, as ISSUER, hereby establishes this irrevocable Letter of Credit for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department (or successor agency) of the State of New Mexico (the DIVISION), pursuant to NMSA 1978, Section 70-2-14, as amended, for an aggregate amount not to exceed Seventeen Thousand Five Hundred Seventy Five and 00/100ths U.S. Dollars (\$17,575.00) in United States dollars (Face Amount) effective on the date indicated above. This Letter of Credit is established for AmeriCo Energy Resources, LLC [Name of Operator], whose address is 7575 San Felipe, Suite 200, Houston, Texas 77063, as APPLICANT.

1. The APPLICANT has requested that this letter of credit be issued to the DIVISION as financial assurance for the APPLICANT pursuant to statutory and regulatory requirements of the State of New Mexico set forth in Section 70-2-14 NMSA, as amended, and in Rule 101 [19.15.3.101 NMAC].

2. This Letter of Credit is irrevocable for the term hereof, and is furnished as financial assurance for the compliance by the APPLICANT with all applicable statutes of the State of New Mexico and with all rules and orders of the Oil Conservation Commission and DIVISION, including requirements to cause wells in the State of New Mexico now or hereafter owned or operated by Applicant to be properly plugged and abandoned, if dry, or when no longer productive or useful for a beneficial purpose, in accordance with the rules and orders of the Division, including but not limited to Rule 101 [19.15.3.101 NMAC] and Rule 202 [19.15.4.202 NMAC], as the same now exist or may be hereafter amended.

3. This Letter of Credit will expire on June 30, 2012 [not less than five (5) years from the effective date of the Letter of Credit]; unless sooner released by written notice to the ISSUER by the DIVISION. Upon the expiration date, this Letter of Credit shall be automatically renewed for an additional term of five years commencing on such expiration date, and likewise for successive terms of five years each upon the occurrence of each subsequent scheduled expiration date, unless the ISSUER has, at least thirty days prior to any scheduled expiration date, mailed written notice of non-renewal, by certified mail, return receipt requested, to the DIVISION. This Letter of Credit may be forfeited and collected by the DIVISION if not replaced by approved financial assurance at least 30 days before the expiration date hereof.

4. Funds under this Letter of Credit are available against the DIVISION's sight draft, in the form of Exhibit A, specifying Letter of Credit No. LC 770, delivered to the office of the ISSUER at Letter of Credit Unit, 2100 McKinney Ave., Suite 1225, Letter of Credit Unit, Dallas, Texas 75201 [address], accompanied by a certificate in the form of Exhibit B, signed by the Director of the DIVISION or the Director's duly authorized representative. At the Division's sole election, the DIVISION may present sight drafts for less than the Face Amount at any time and from time to time so long as this letter of credit remains in force, provided that the aggregate amount of all such drafts shall not exceed the Face Amount.

5. If the ISSUER receives the DIVISION's sight draft(s) and certificate(s) as provided in Paragraph 4, above, on or before the expiration or termination of this Letter of Credit, the ISSUER shall make such amount as the DIVISION may specify, up to an aggregate amount not to exceed the Face

Letter of Credit Num. LC 770

June 28, 2007 

Amount of this Letter of Credit, available to the DIVISION no later than 5 p.m. in Santa Fe, NM on the second business day following the ISSUER's receipt of the sight draft and certificate, and in such a manner as the DIVISION may specify.

6. The ISSUER shall give prompt notice to the APPLICANT and to the DIVISION of any notice received or action filed alleging the insolvency or bankruptcy of the ISSUER, or alleging any violations of regulatory requirements that could result in suspension or revocation of the ISSUER's charter or license to do business.

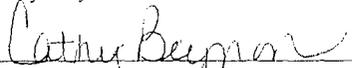
7. This Letter of Credit shall be governed by the laws of the State of New Mexico, and, to the extent not inconsistent with such laws, by International Chamber of Commerce Publication No. 500, entitled "Uniform Customs and Practice for Documentary Credits" (most recent revision).

8. All communications regarding this Letter of Credit shall be addressed to the ISSUER at Letter of Credit Unit, 2100 McKinney Ave., Suite 1225, Dallas, Texas 75201 [address], referencing Letter of Credit No. LC 770.

Very truly yours,

Texas Capital Bank, N.A

By: Cathy Beynon



Authorized Signature

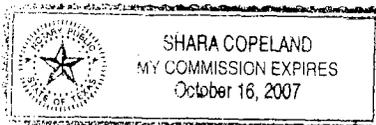
Effective Date June 28, 2007

State of Texas
County of Dallas

This instrument was acknowledged before me on this 28th day of June, 2007 by Cathy Beynon, Vice President of Texas Capital Bank, N.A. (ISSUER).

My Commission Expires:







Notary Public

NOTICE: The attached exhibits must be initialed by the party signing this letter of credit for the Financial Institution. If this letter of credit is executed by an officer other than the President, a Vice President, or a branch manager, it must be accompanied by a certified resolution of the Board of Directors of the Financial Institution, certifying to the authority of the signing officer to execute letters of credit in at least the Face Amount.

EXHIBIT A - SIGHT DRAFT
to
Letter of Credit No. LC 770

Date

PAY TO THE ORDER OF **NEW MEXICO OIL CONSERVATION DIVISION**

(\$ _____) _____ DOLLARS

TO: Texas Capital Bank N.A.
2100 McKinney Ave., Suite 1225
Letter of Credit Unit
Dallas, Texas 75201

New Mexico Energy Minerals and
Natural Resources Department
Oil Conservation Division
1220 South St. Francis
Santa Fe, New Mexico 87505

By: _____

Date _____

**Initials of Representative of
Financial Institution**



EXHIBIT B:
to
Letter of Credit No. LC 770

I, _____, a duly authorized representative of the New Mexico Oil Conservation Division, hereby certify that: (1) the drawing in the amount of _____ Dollars (\$ _____), by sight draft accompanying this certificate, under Letter of Credit No. _____ dated _____ issued by you, is duly authorized in accordance with the New Mexico Oil and Gas Act (NMSA 1978, Sections 70-2-1 through 70-2-38, as amended) and applicable rules of the New Mexico Oil Conservation Division; (2) the amount of the sight draft, together with any amounts previously drawn under the Letter of Credit, does not exceed the Face Amount of the Letter of Credit; and (3) the New Mexico Oil Conservation Division has directed the forfeiture of the Letter of Credit.

New Mexico Oil Conservation Division

By: _____

Date _____

**Initials of Representative of
Financial Institution**

BB

CMB :
OGROWED

ONGARD
CAPTURE SINGLE WELL-BOND

06/29/07 15:03:28
OGDLE -T37G

OGFID Identifier : 228051 API Well No : 30 25 5112
Operator Name, Address : AMERICO ENERGY RESOURCES LLC
7575 SAN FELIPE
SUITE 200
HOUSTON, TX 77063

Bond Idn : 250593 Bond Status : A Prop Idn : 300379

Prop Name : LEE WHITMAN B Well No : 007

U/L Sec Township Range North/South East/West Lot Idn

Surface Locn : O 23 14S 37E FTG 330 F'S FTG 1650 F E

API County : 25

Bond Details : Type (Cash/Surety - C/S) : C Bond Co Idn : 13 Amt : 17854

Company OGFID Identifier : 219078

Company Name, Address : TEXAS CAPITAL BANK

2100 MCKINNEY AVE

SUITE 900

Effective Date : 01-01-1900

Cancellation Date : 12-31-9999

Issuer Bond No : LGC - LC774

M0015: Table update is successful.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 COMMENT PF10 NXTBOND PF11 PF12



TEXAS CAPITAL BANK

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division

Irrevocable Letter of Credit
(5-Year - Automatically Renewable)

File with Oil Conservation Division, 1220 South St. Francis, Santa Fe, New Mexico 87505

LETTER OF CREDIT NO. LC 774 API Number 30-025-05112
Effective Date: June 28, 2007

Texas Capital Bank, N.A. [Name of FINANCIAL INSTITUTION], a national or state chartered banking association, as ISSUER, hereby establishes this irrevocable Letter of Credit for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department (or successor agency) of the State of New Mexico (the DIVISION), pursuant to NMSA 1978, Section 70-2-14, as amended, for an aggregate amount not to exceed Seventeen Thousand Six Hundred Fifty Four and 00/100ths U.S. Dollars (\$17,654.00) in United States dollars (Face Amount) effective on the date indicated above. This Letter of Credit is established for AmeriCo Energy Resources, LLC [Name of Operator], whose address is 7575 San-Felipe, Suite 200, Houston, Texas 77063, as APPLICANT.

1. The APPLICANT has requested that this letter of credit be issued to the DIVISION as financial assurance for the APPLICANT pursuant to statutory and regulatory requirements of the State of New Mexico set forth in Section 70-2-14 NMSA, as amended, and in Rule 101 [19.15.3.101 NMAC].

2. This Letter of Credit is irrevocable for the term hereof, and is furnished as financial assurance for the compliance by the APPLICANT with all applicable statutes of the State of New Mexico and with all rules and orders of the Oil Conservation Commission and DIVISION, including requirements to cause wells in the State of New Mexico now or hereafter owned or operated by Applicant to be properly plugged and abandoned, if dry, or when no longer productive or useful for a beneficial purpose, in accordance with the rules and orders of the Division, including but not limited to Rule 101 [19.15.3.101 NMAC] and Rule 202 [19.15.4.202 NMAC], as the same now exist or may be hereafter amended.

3. This Letter of Credit will expire on June 30, 2012 [**not less than five (5) years from the effective date of the Letter of Credit**]; unless sooner released by written notice to the ISSUER by the DIVISION. Upon the expiration date, this Letter of Credit shall be automatically renewed for an additional term of five years commencing on such expiration date, and likewise for successive terms of five years each upon the occurrence of each subsequent scheduled expiration date, unless the ISSUER has, at least thirty days prior to any scheduled expiration date, mailed written notice of non-renewal, by certified mail, return receipt requested, to the DIVISION. This Letter of Credit may be forfeited and collected by the DIVISION if not replaced by approved financial assurance at least 30 days before the expiration date hereof.

4. Funds under this Letter of Credit are available against the DIVISION's sight draft, in the form of Exhibit A, specifying Letter of Credit No. LC 774, delivered to the office of the ISSUER at Letter of Credit Unit, 2100 McKinney Ave., Suite 1225, Letter of Credit Unit, Dallas, Texas 75201 [address], accompanied by a certificate in the form of Exhibit B, signed by the Director of the DIVISION or the Director's duly authorized representative. At the Division's sole election, the DIVISION may present sight drafts for less than the Face Amount at any time and from time to time so long as this letter of credit remains in force, provided that the aggregate amount of all such drafts shall not exceed the Face Amount.

5. If the ISSUER receives the DIVISION's sight draft(s) and certificate(s) as provided in Paragraph 4, above, on or before the expiration or termination of this Letter of Credit, the ISSUER shall make such amount as the DIVISION may specify, up to an aggregate amount not to exceed the Face

Letter of Credit Num. LC 774

June 28, 2007

Amount of this Letter of Credit, available to the DIVISION no later than 5 p.m. in Santa Fe, NM on the second business day following the ISSUER's receipt of the sight draft and certificate, and in such a manner as the DIVISION may specify.

6. The ISSUER shall give prompt notice to the APPLICANT and to the DIVISION of any notice received or action filed alleging the insolvency or bankruptcy of the ISSUER, or alleging any violations of regulatory requirements that could result in suspension or revocation of the ISSUER's charter or license to do business.

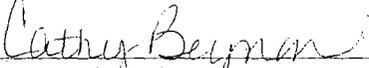
7. This Letter of Credit shall be governed by the laws of the State of New Mexico, and, to the extent not inconsistent with such laws, by International Chamber of Commerce Publication No. 500, entitled "Uniform Customs and Practice for Documentary Credits" (most recent revision).

8. All communications regarding this Letter of Credit shall be addressed to the ISSUER at Letter of Credit Unit, 2100 McKinney Ave., Suite 1225, Dallas, Texas 75201 [address], referencing Letter of Credit No. LC 774.

Very truly yours,

Texas Capital Bank, N.A

By: Cathy Beynon

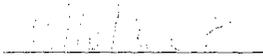

Authorized Signature

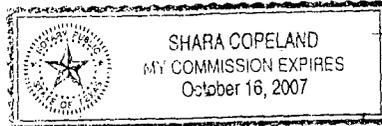
Effective Date June 28, 2007

State of Texas
County of Dallas

This instrument was acknowledged before me on this 28th day of June, 2007 by Cathy Beynon, Vice President of Texas Capital Bank, N.A. (ISSUER).

My Commission Expires:






Notary Public

NOTICE: The attached exhibits must be initialed by the party signing this letter of credit for the Financial Institution. If this letter of credit is executed by an officer other than the President, a Vice President, or a branch manager, it must be accompanied by a certified resolution of the Board of Directors of the Financial Institution, certifying to the authority of the signing officer to execute letters of credit in at least the Face Amount.

EXHIBIT A - SIGHT DRAFT
to
Letter of Credit No. LC 774

_____ Date

PAY TO THE ORDER OF NEW MEXICO OIL CONSERVATION DIVISION

(\$ _____) _____ DOLLARS

TO: Texas Capital Bank N.A.
2100 McKinney Ave., Suite 1225
Letter of Credit Unit
Dallas, Texas 75201

New Mexico Energy Minerals and
Natural Resources Department
Oil Conservation Division
1220 South St. Francis
Santa Fe, New Mexico 87505

By: _____

Date _____

**Initials of Representative of
Financial Institution**

TD

EXHIBIT B
to
Letter of Credit No. LC 774

I, _____, a duly authorized representative of the New Mexico Oil Conservation Division, hereby certify that: (1) the drawing in the amount of _____ Dollars (\$ _____), by sight draft accompanying this certificate, under Letter of Credit No. _____ dated _____ issued by you, is duly authorized in accordance with the New Mexico Oil and Gas Act (NMSA 1978, Sections 70-2-1 through 70-2-38, as amended) and applicable rules of the New Mexico Oil Conservation Division; (2) the amount of the sight draft, together with any amounts previously drawn under the Letter of Credit, does not exceed the Face Amount of the Letter of Credit; and (3) the New Mexico Oil Conservation Division has directed the forfeiture of the Letter of Credit.

New Mexico Oil Conservation Division

By: _____

Date _____

**Initials of Representative of
Financial Institution**

_____ *CB*

CMD :
GG6QWED

ONGARD
CAPTURE SINGLE WELL BOND

06/29/07 14:53:43
GG0DLF -TQ7G

OGRID Identifier : 228051 API Well No : 30 25 5232
Operator Name, Address : AMERICO ENERGY RESOURCES LLC
7575 SAN FELIPE
SUITE 200
HOUSTON, TX 77063

Bond Idn : 250585 Bond Status : A Prop Idn : 300380

Prop Name : STATE T Well No : 007

	U/L	Sec	Township	Range	North/South	East/West	Lot Idn
Surface Locn :	N	2	15S	37E	FTG 990 F S	FTG 2310 F E	

API County : 25

Bond Details : Type (Cash/Surety - C/S) : C Bond Co Idn : 13 Amt : 14231

Company OGRID Identifier : 219078

Company Name, Address : TEXAS CAPITAL BANK
2100 MCKINNEY AVE
SUITE 900

Effective Date : 01-01-1900

Cancellation Date : 12-31-9999

Issuer Bond No : LOC - LC766

M0915: Table update is successful.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 COMMENT PF10 NXTBOND PF11 PF12



TEXAS CAPITAL BANK

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division

Irrevocable Letter of Credit
(5-Year - Automatically Renewable)

File with Oil Conservation Division, 1220 South St. Francis, Santa Fe, New Mexico 87505

LETTER OF CREDIT NO. LC 766 API Number 30-025-05232
Effective Date: June 28, 2007

Texas Capital Bank, N.A. [Name of FINANCIAL INSTITUTION], a national or state chartered banking association, as ISSUER, hereby establishes this irrevocable Letter of Credit for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department (or successor agency) of the State of New Mexico (the DIVISION), pursuant to NMSA 1978, Section 70-2-14, as amended, for an aggregate amount not to exceed Fourteen Thousand Two Hundred Thirty One and 00/100ths U.S. Dollars (\$14,231.00) in United States dollars (Face Amount) effective on the date indicated above. This Letter of Credit is established for AmeriCo Energy Resources, LLC [Name of Operator], whose address is 7575 San Felipe, Suite 200, Houston, Texas 77063, as APPLICANT.

1. The APPLICANT has requested that this letter of credit be issued to the DIVISION as financial assurance for the APPLICANT pursuant to statutory and regulatory requirements of the State of New Mexico set forth in Section 70-2-14 NMSA, as amended, and in Rule 101 [19.15.3.101 NMAC].

2. This Letter of Credit is irrevocable for the term hereof, and is furnished as financial assurance for the compliance by the APPLICANT with all applicable statutes of the State of New Mexico and with all rules and orders of the Oil Conservation Commission and DIVISION, including requirements to cause wells in the State of New Mexico now or hereafter owned or operated by Applicant to be properly plugged and abandoned, if dry, or when no longer productive or useful for a beneficial purpose, in accordance with the rules and orders of the Division, including but not limited to Rule 101 [19.15.3.101 NMAC] and Rule 202 [19.15.4.202 NMAC], as the same now exist or may be hereafter amended.

3. This Letter of Credit will expire on June 30, 2012 [**not less than five (5) years from the effective date of the Letter of Credit**]; unless sooner released by written notice to the ISSUER by the DIVISION. Upon the expiration date, this Letter of Credit shall be automatically renewed for an additional term of five years commencing on such expiration date, and likewise for successive terms of five years each upon the occurrence of each subsequent scheduled expiration date, unless the ISSUER has, at least thirty days prior to any scheduled expiration date, mailed written notice of non-renewal, by certified mail, return receipt requested, to the DIVISION. This Letter of Credit may be forfeited and collected by the DIVISION if not replaced by approved financial assurance at least 30 days before the expiration date hereof.

4. Funds under this Letter of Credit are available against the DIVISION's sight draft, in the form of Exhibit A, specifying Letter of Credit No. LC 766, delivered to the office of the ISSUER at Letter of Credit Unit, 2100 McKinney Ave., Suite 1225, Letter of Credit Unit, Dallas, Texas 75201 [address], accompanied by a certificate in the form of Exhibit B, signed by the Director of the DIVISION or the Director's duly authorized representative. At the Division's sole election, the DIVISION may present sight drafts for less than the Face Amount at any time and from time to time so long as this letter of credit remains in force, provided that the aggregate amount of all such drafts shall not exceed the Face Amount.

5. If the ISSUER receives the DIVISION's sight draft(s) and certificate(s) as provided in Paragraph 4, above, on or before the expiration or termination of this Letter of Credit, the ISSUER shall make such amount as the DIVISION may specify, up to an aggregate amount not to exceed the Face

Letter of Credit Num. LC 766

June 28, 2007 *JP*

Amount of this Letter of Credit, available to the DIVISION no later than 5 p.m. in Santa Fe, NM on the second business day following the ISSUER's receipt of the sight draft and certificate, and in such a manner as the DIVISION may specify.

6. The ISSUER shall give prompt notice to the APPLICANT and to the DIVISION of any notice received or action filed alleging the insolvency or bankruptcy of the ISSUER, or alleging any violations of regulatory requirements that could result in suspension or revocation of the ISSUER's charter or license to do business.

7. This Letter of Credit shall be governed by the laws of the State of New Mexico, and, to the extent not inconsistent with such laws, by International Chamber of Commerce Publication No. 500, entitled "Uniform Customs and Practice for Documentary Credits" (most recent revision).

8. All communications regarding this Letter of Credit shall be addressed to the ISSUER at Letter of Credit Unit, 2100 McKinney Ave., Suite 1225, Dallas, Texas 75201 [address], referencing Letter of Credit No. LC 766.

Very truly yours,

Texas Capital Bank, N.A

By: Cathy Beynon

Cathy Beynon
Authorized Signature

Effective Date June 28, 2007

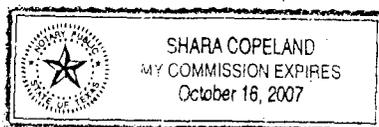
State of Texas
County of Dallas

This instrument was acknowledged before me on this 28th day of June, 2007 by Cathy Beynon, Vice President of Texas Capital Bank, N.A. (ISSUER).

Shara Copeland
Notary Public

My Commission Expires:

10/16/07



NOTICE: The attached exhibits must be initialed by the party signing this letter of credit for the Financial Institution. If this letter of credit is executed by an officer other than the President, a Vice President, or a branch manager, it must be accompanied by a certified resolution of the Board of Directors of the Financial Institution, certifying to the authority of the signing officer to execute letters of credit in at least the Face Amount.

EXHIBIT A - SIGHT DRAFT
to
Letter of Credit No. LC 766

Date

PAY TO THE ORDER OF NEW MEXICO OIL CONSERVATION DIVISION

(\$ _____) _____ DOLLARS

TO: Texas Capital Bank N.A.
2100 McKinney Ave., Suite 1225
Letter of Credit Unit
Dallas, Texas 75201

New Mexico Energy Minerals and
Natural Resources Department
Oil Conservation Division
1220 South St. Francis
Santa Fe, New Mexico 87505

By: _____

Date _____

**Initials of Representative of
Financial Institution**

BT

Letter of Credit Num. LC 766

June 28, 2007 31

EXHIBIT B
to
Letter of Credit No. LC 766

I, _____, a duly authorized representative of the New Mexico Oil Conservation Division, hereby certify that: (1) the drawing in the amount of _____ Dollars (\$_____), by sight draft accompanying this certificate, under Letter of Credit No. _____ dated _____ issued by you, is duly authorized in accordance with the New Mexico Oil and Gas Act (NMSA 1978, Sections 70-2-1 through 70-2-38, as amended) and applicable rules of the New Mexico Oil Conservation Division; (2) the amount of the sight draft, together with any amounts previously drawn under the Letter of Credit, does not exceed the Face Amount of the Letter of Credit; and (3) the New Mexico Oil Conservation Division has directed the forfeiture of the Letter of Credit.

New Mexico Oil Conservation Division

By: _____

Date _____

**Initials of Representative of
Financial Institution**

[Handwritten initials]

CMD :
CGSCWB

ONGARD
CAPTURE SINGLE WELL BOND

06/19/07 15:00:51
CG-DLE -TQ7G

OGRID Identifier : 228051 API Well No : 30 25 5204
Operator Name, Address : AMERICO ENERGY RESOURCES, LLC
7575 SAN FELIPE
SUITE 200
HOUSTON, TX 77063

Bond Idn : 250591 Bond Status : A Prop Idn : 300381

Prop Name : W T MANN A Well No : 002

U/L Sec Township Range North/South East/West Lot Idn

Surface Locn : B 36 14S 37E FTG 660 F W FTG 2310 F E

API County : 25

Bond Details : Type (Cash/Surety - C/S) : C Bond Co Idn : 13 Amt : 17630

Company OGRID Identifier : 219078

Company Name, Address : TEXAS CAPITAL BANK
2100 MCKINNEY AVE
SUITE 900

Effective Date : 01-01-1900

Cancellation Date : 12-31-9999

Issuer Bond No : LOC - LC772

M0015: Table update is successful.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 COMMENT PF10 NXTBOND PF11 PF12



TEXAS CAPITAL BANK

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division

Irrevocable Letter of Credit
(5-Year - Automatically Renewable)

File with Oil Conservation Division, 1220 South St. Francis, Santa Fe, New Mexico 87505

LETTER OF CREDIT NO. LC 772 API Number 30-025-05204
Effective Date: June 28, 2007

Texas Capital Bank, N.A. [Name of FINANCIAL INSTITUTION], a national or state chartered banking association, as ISSUER, hereby establishes this irrevocable Letter of Credit for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department (or successor agency) of the State of New Mexico (the DIVISION), pursuant to NMSA 1978, Section 70-2-14, as amended, for an aggregate amount not to exceed Seventeen Thousand Six Hundred Thirty and 00/100ths U.S. Dollars (\$17,630.00) in United States dollars (Face Amount) effective on the date indicated above. This Letter of Credit is established for AmeriCo Energy Resources, LLC [Name of Operator], whose address is 7575 San Felipe, Suite 200, Houston, Texas 77063, as APPLICANT.

1. The APPLICANT has requested that this letter of credit be issued to the DIVISION as financial assurance for the APPLICANT pursuant to statutory and regulatory requirements of the State of New Mexico set forth in Section 70-2-14 NMSA, as amended, and in Rule 101 [19.15.3.101 NMAC].

2. This Letter of Credit is irrevocable for the term hereof, and is furnished as financial assurance for the compliance by the APPLICANT with all applicable statutes of the State of New Mexico and with all rules and orders of the Oil Conservation Commission and DIVISION, including requirements to cause wells in the State of New Mexico now or hereafter owned or operated by Applicant to be properly plugged and abandoned, if dry, or when no longer productive or useful for a beneficial purpose, in accordance with the rules and orders of the Division, including but not limited to Rule 101 [19.15.3.101 NMAC] and Rule 202 [19.15.4.202 NMAC], as the same now exist or may be hereafter amended.

3. This Letter of Credit will expire on June 30, 2012 [**not less than five (5) years from the effective date of the Letter of Credit**]; unless sooner released by written notice to the ISSUER by the DIVISION. Upon the expiration date, this Letter of Credit shall be automatically renewed for an additional term of five years commencing on such expiration date, and likewise for successive terms of five years each upon the occurrence of each subsequent scheduled expiration date, unless the ISSUER has, at least thirty days prior to any scheduled expiration date, mailed written notice of non-renewal, by certified mail, return receipt requested, to the DIVISION. This Letter of Credit may be forfeited and collected by the DIVISION if not replaced by approved financial assurance at least 30 days before the expiration date hereof.

4. Funds under this Letter of Credit are available against the DIVISION's sight draft, in the form of Exhibit A, specifying Letter of Credit No. LC 772, delivered to the office of the ISSUER at Letter of Credit Unit, 2100 McKinney Ave., Suite 1225, Letter of Credit Unit, Dallas, Texas 75201 [address], accompanied by a certificate in the form of Exhibit B, signed by the Director of the DIVISION or the Director's duly authorized representative. At the Division's sole election, the DIVISION may present sight drafts for less than the Face Amount at any time and from time to time so long as this letter of credit remains in force, provided that the aggregate amount of all such drafts shall not exceed the Face Amount.

5. If the ISSUER receives the DIVISION's sight draft(s) and certificate(s) as provided in Paragraph 4. above, on or before the expiration or termination of this Letter of Credit, the ISSUER shall make such amount as the DIVISION may specify, up to an aggregate amount not to exceed the Face

Letter of Credit Num. LC 772

June 28, 2007 

Amount of this Letter of Credit, available to the DIVISION no later than 5 p.m. in Santa Fe, NM on the second business day following the ISSUER's receipt of the sight draft and certificate, and in such a manner as the DIVISION may specify.

6. The ISSUER shall give prompt notice to the APPLICANT and to the DIVISION of any notice received or action filed alleging the insolvency or bankruptcy of the ISSUER, or alleging any violations of regulatory requirements that could result in suspension or revocation of the ISSUER's charter or license to do business.

7. This Letter of Credit shall be governed by the laws of the State of New Mexico, and, to the extent not inconsistent with such laws, by International Chamber of Commerce Publication No. 500, entitled "Uniform Customs and Practice for Documentary Credits" (most recent revision).

8. All communications regarding this Letter of Credit shall be addressed to the ISSUER at Letter of Credit Unit, 2100 McKinney Ave., Suite 1225, Dallas, Texas 75201 [address], referencing Letter of Credit No. LC 772.

Very truly yours,

Texas Capital Bank, N.A

By: Cathy Beynon


Authorized Signature

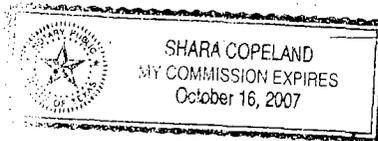
Effective Date June 28, 2007

State of Texas
County of Dallas

This instrument was acknowledged before me on this 28th day of June, 2007 by Cathy Beynon, Vice President of Texas Capital Bank, N.A. (ISSUER).

My Commission Expires:

10/16/2007




Notary Public

NOTICE: The attached exhibits must be initialed by the party signing this letter of credit for the Financial Institution. If this letter of credit is executed by an officer other than the President, a Vice President, or a branch manager, it must be accompanied by a certified resolution of the Board of Directors of the Financial Institution, certifying to the authority of the signing officer to execute letters of credit in at least the Face Amount.

EXHIBIT A - SIGHT DRAFT
to
Letter of Credit No. LC 772

Date

PAY TO THE ORDER OF NEW MEXICO OIL CONSERVATION DIVISION

(\$ _____) _____ DOLLARS

TO: Texas Capital Bank N.A.
2100 McKinney Ave., Suite 1225
Letter of Credit Unit
Dallas, Texas 75201

New Mexico Energy Minerals and
Natural Resources Department
Oil Conservation Division
1220 South St. Francis
Santa Fe, New Mexico 87505

By: _____

Date _____

**Initials of Representative of
Financial Institution**



EXHIBIT B
to
Letter of Credit No. LC 772

I, _____, a duly authorized representative of the New Mexico Oil Conservation Division, hereby certify that: (1) the drawing in the amount of _____ Dollars (\$ _____), by sight draft accompanying this certificate, under Letter of Credit No. _____ dated _____ issued by you, is duly authorized in accordance with the New Mexico Oil and Gas Act (NMSA 1978, Sections 70-2-1 through 70-2-38, as amended) and applicable rules of the New Mexico Oil Conservation Division; (2) the amount of the sight draft, together with any amounts previously drawn under the Letter of Credit, does not exceed the Face Amount of the Letter of Credit; and (3) the New Mexico Oil Conservation Division has directed the forfeiture of the Letter of Credit.

New Mexico Oil Conservation Division

By: _____

Date _____

**Initials of Representative of
Financial Institution**

bb

Inactive Well Additional Financial Assurance Report

228051 AMERICO ENERGY RESOURCES LLC

Total Well Count: 86

Printed On: Friday, October 24 2008

Property	Well Name	Lease Type	ULSTR	OCD Unit Letter	API	Well Type	Last Prod/Inj	Inactive Additional Bond Due	Measured Depth	Required Bond Amount	Bond Required Now	Bond In Place	In Violation
300375	B C DICKINSON A 1 #001	P	L-1 -15S-37E	L	30-025-05222	O	03/1998	04/01/2000	9510	14510	Y	14510	
	B C DICKINSON A 1 #002	P	L-1 -15S-37E	L	30-025-09868	O	07/1997	08/01/1999	12570	17570	Y	17570	
300376	B C DICKINSON D #003	P	E-35-14S-37E	E	30-025-05177	O	09/1988	10/01/1990	12670	17670	Y	17670	
	B C DICKINSON D #004	P	F-35-14S-37E	F	30-025-05178	O	08/2008	09/01/2010	Unknown	Unknown			0
	B C DICKINSON D #005	P	C-35-14S-37E	C	30-025-05179	O	09/2000	10/01/2002	12475	17475	Y	17475	
303115	EAST SHUGART UNIT #001	F	P-27-18S-31E	P	30-015-05613	I	08/2008		Unknown				0
	EAST SHUGART UNIT #002	F	B-34-18S-31E	B	30-015-05684	I	04/2006		Unknown				0
	EAST SHUGART UNIT #003	F	A-34-18S-31E	A	30-015-05683	I	03/2006		Unknown				0
	EAST SHUGART UNIT #004	F	D-35-18S-31E	D	30-015-05692	O	05/2008		Unknown				0
	EAST SHUGART UNIT #005	F	D-35-18S-31E	D	30-015-05697	O	08/2008		Unknown				0
	EAST SHUGART UNIT #006	F	C-35-18S-31E	C	30-015-05696	I	08/2008		Unknown				0
	EAST SHUGART UNIT #007	F	B-35-18S-31E	B	30-015-05700	O	05/2005		Unknown				0
	EAST SHUGART UNIT #008	F	A-35-18S-31E	A	30-015-05704	O	06/2008		Unknown				0
	EAST SHUGART UNIT #009	F	H-35-18S-31E	H	30-015-05703	I	08/2008		Unknown				0
	EAST SHUGART UNIT #011	F	F-35-18S-31E	F	30-015-05695	O	05/2008		Unknown				0
	EAST SHUGART UNIT #013	F	H-34-18S-31E	H	30-015-05681	O	08/2008		Unknown				0
	EAST SHUGART UNIT #014	F	G-34-18S-31E	G	30-015-05682	O	05/2008		Unknown				0
	EAST SHUGART UNIT #015	F	F-34-18S-31E	F	30-015-05687	I	08/2008		Unknown				0
	EAST SHUGART UNIT #017	F	K-34-18S-31E	K	30-015-05686	O	05/2008		Unknown				0
	EAST SHUGART UNIT #018	F	J-34-18S-31E	J	30-015-05679	O	06/2008		Unknown				0
	EAST SHUGART UNIT #020	F	L-35-18S-31E	L	30-015-05702	I	08/2008		Unknown				0
	EAST SHUGART UNIT #021	F	K-35-18S-31E	K	30-015-05693	O	08/2008		Unknown				0
	EAST SHUGART UNIT #022	F	J-35-18S-31E	J	30-015-05698	I	04/2006		Unknown				0
	EAST SHUGART UNIT #023	F	O-35-18S-31E	O	30-015-05699	I	08/2008		Unknown				0
	EAST SHUGART UNIT #024	F	N-35-18S-31E	N	30-015-05691	I	08/2008		Unknown				0
	EAST SHUGART UNIT #025	F	M-35-18S-31E	M	30-015-05690	O	08/2008		Unknown				0
	EAST SHUGART UNIT #027	F	O-34-18S-31E	O	30-015-05677	O	08/2008		Unknown				0
	EAST SHUGART UNIT #029	F	N-34-18S-31E	N	30-015-05685	I	01/2008		Unknown				0
	EAST SHUGART UNIT #031	F	2-3 -19S-31E	B	30-015-05719	O	05/2008		Unknown				0
	EAST SHUGART UNIT #032	F	M-35-18S-31E	M	30-015-20254	I	05/2008		Unknown				0
	EAST SHUGART UNIT #033	F	K-34-18S-31E		30-015-26484	I	08/2008		3999				0
	EAST SHUGART UNIT #034	F	3-3 -19S-31E	C	30-015-26483	O	05/2008		Unknown				0
	EAST SHUGART UNIT #035	F	E-35-18S-31E	E	30-015-27428	O	08/2008		4500				0
	EAST SHUGART UNIT #036	F	J-34-18S-31E	J	30-015-27436	O	08/2008		4470				0
	EAST SHUGART UNIT #037	F	I-34-18S-31E	I	30-015-27462	O	05/2008		4500				0
	EAST SHUGART UNIT #038	F	O-34-18S-31E		30-015-27429	O	08/2008		4500				0
	EAST SHUGART UNIT #039	F	P-34-18S-31E	P	30-015-27430	O	08/2008		4400				0
	EAST SHUGART UNIT #040	F	H-34-18S-31E		30-015-27690	O	08/2008		4013				0
	EAST SHUGART UNIT #041	F	G-34-18S-31E		30-015-27676	I	08/2008		3990				0
	EAST SHUGART UNIT #042	F	A-34-18S-31E		30-015-27670	I	08/2008		4009				0
	EAST SHUGART UNIT #043	F	B-34-18S-31E		30-015-27671	O	05/2008		3960				0
	EAST SHUGART UNIT #044	F	D-35-18S-31E		30-015-27681	O	08/2008		4025				0
	EAST SHUGART UNIT #045	F	L-35-18S-31E	L	30-015-27867	O	05/2008		4017				0
	EAST SHUGART UNIT #046	F	O-34-18S-31E	O	30-015-27870	O	08/2008		3952				0
	EAST SHUGART UNIT #047	F	F-35-18S-31E	F	30-015-27871	O	05/2008		4040				0
	EAST SHUGART UNIT #049	F	B-35-18S-31E	B	30-015-27873	O	08/2008		4044				0
	EAST SHUGART UNIT #050	F	G-35-18S-31E	G	30-015-27944	O	05/2008		4062				0
	EAST SHUGART UNIT #051	F	P-34-18S-31E	P	30-015-27945	O	08/2008		4030				0
	EAST SHUGART UNIT #052	F	B-35-18S-31E	B	30-015-27946	I	08/2008		4036				0
	EAST SHUGART UNIT #054	F	F-34-18S-31E	F	30-015-27948	O	05/2008		3924				0
	EAST SHUGART UNIT #055	S	2-3 -19S-31E	B	30-015-27956	O	05/2008	06/01/2010	4020	9020			0
	EAST SHUGART UNIT #056	F	G-35-18S-31E	G	30-015-27949	I	08/2008		4073				0
	EAST SHUGART UNIT #057	F	N-35-18S-31E	N	30-015-27950	O	08/2008		4073				0
	EAST SHUGART UNIT #058	F	K-35-18S-31E	K	30-015-27951	I	08/2008		4088				0
	EAST SHUGART UNIT #059	F	N-34-18S-31E	N	30-015-27952	O	08/2008		4020				0
	EAST SHUGART UNIT #061	F	H-35-18S-31E	H	30-015-28202	O	08/2008		4068				0
	EAST SHUGART UNIT #062	F	G-3 -19S-31E	G	30-015-27953	O	08/2008		4025				0
	EAST SHUGART UNIT #063	F	J-34-18S-31E	J	30-015-28217	O	08/2008		4010				0
	EAST SHUGART UNIT #066	F	L-34-18S-31E	L	30-015-27955	O	05/2008		3990				0
	EAST SHUGART UNIT #067	F	I-34-18S-31E	I	30-015-27958	O	08/2008		4000				0

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EAST SHUGART UNIT #069	F	C-35-18S-31E	C	30-015-28218	O	05/2008		4030			0
EAST SHUGART UNIT #070	F	M-35-18S-31E	M	30-015-28209	O	08/2008		4045			0
EAST SHUGART UNIT #071	F	M-35-18S-31E	M	30-015-28211	O	08/2008		4055			0
EAST SHUGART UNIT #072	F	L-35-18S-31E	L	30-015-28203	O	08/2008		4040			0
EAST SHUGART UNIT #074	F	O-35-18S-31E	O	30-015-28359	O	08/2008		4070			0
EAST SHUGART UNIT #075	F	A-35-18S-31E	K	30-015-28204	I	06/2008		4156			0
EAST SHUGART UNIT #076	F	F-35-18S-31E	F	30-015-28201	I	08/2008		4049			0
EAST SHUGART UNIT #077	F	J-35-18S-31E	J	30-015-28219	O	05/2008		4100			0
EAST SHUGART UNIT #078	F	K-35-18S-31E	K	30-015-28278	O	05/2008		4091			0
EAST SHUGART UNIT #079	F	E-35-18S-31E	E	30-015-28326	O	05/2008		4066			0
EAST SHUGART UNIT #083	F	P-34-18S-31E	P	30-015-28776	O	05/2008		4167			0
EAST SHUGART UNIT #086	F	P-34-18S-31E	P	30-015-29917	O	08/2008		4161			0
303505 EAST SHUGART WSW #001	F	F-35-18S-31E	F	30-015-22603	W	01/2002		11800			0
300378 LEE WHITMAN A #001	P	G-26-14S-37E	G	30-025-05135	O	03/1992	04/01/1994	12575	17575	Y	17575
LEE WHITMAN A #004	P	H-26-14S-37E	H	30-025-05138	O	02/1999	03/01/2001	12649	17649	Y	17648
300379 LEE WHITMAN B #007	P	O-23-14S-37E	O	30-025-05112	O	03/2002	04/01/2004	12654	17654	Y	17654
300380 STATE T #005	S	K-2-15S-37E	K	30-025-05230	O	07/2008	08/01/2010	Unknown	Unknown		0
STATE T #006	S	F-2-15S-37E	F	30-025-05231	O	08/2008	09/01/2010	9550	14550		0
STATE T #007	S	N-2-15S-37E	N	30-025-05232	O	05/2004	06/01/2006	12420	17420	Y	14231
STATE T #008	S	M-2-15S-37E	M	30-025-05233	O	08/2008	09/01/2010	2709	7709		0
303405 State T Devonian #002	S	F-2-15S-37E	F	30-025-05227	O	08/2008	09/01/2010	12726	17726		0
State T Devonian #003	S	K-2-15S-37E	K	30-025-05228	O	09/2007	10/01/2009	12483	17483		0
State T Devonian #004	S	M-2-15S-37E	M	30-025-05229	O	08/2008	09/01/2010	12400	17400		0
State T Devonian #009	S	N-2-15S-37E	N	30-025-25570	O	05/2006	06/01/2008	12800	17800	Y	0
300381 W T MANN A #002	P	B-36-14S-37E	B	30-025-05204	O	12/1992	01/01/1995	Unknown	Unknown	Y	17630
300382 W T MANN B #004	P	J-36-14S-37E	J	30-025-05207	O	09/1990	10/01/1992	Unknown	Unknown	Y	17630

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