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## F A C S I M I L E   T R A N S M I S S I O N

DATE: November 29, 1995  
TO: Rand Carroll, Esq.  
COMPANY: State of New Mexico Oil Conservation Division  
LOCATION: Santa Fe, NM

FACSIMILE TELEPHONE NUMBER: 505-827-8177

TOTAL NUMBER OF PAGES INCLUDING THIS COVER LETTER: 1

FROM: PAUL S. GUARDALABENE - 414/797/2675

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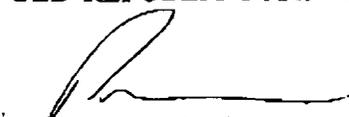
Re: **Claim No.:** 22187  
**Bond No.:** DLI 867464  
**Principal:** Diamond Back Petroleum, Inc.  
**Company:** Northwestern National Insurance Company/  
Old Republic Surety Company

Dear Mr. Carroll:

The undersigned has assumed responsibility for the above-referenced claim file. Pride Petroleum Services of Hobbs, NM has agreed to plug the Martha #1 and the Margie Kay #1 wells for a total of \$6,500, provided that it may have whatever materials are salvageable from those wells. We will enter into an agreement with Pride Petroleum Services as soon as you have advised us that Pride Petroleum Services is acceptable to the Oil Conservation Division and on the condition that our liability under the blanket plugging bond will be reduced by \$6,500 when we pay Pride Petroleum Services. Also, we assume that if the wells are plugged and comply with New Mexico law, there will be no need for the Show Cause Hearing. Please let us hear from you as soon as possible. Thank you.

Very truly yours,

OLD REPUBLIC SURETY



Paul S. Guardalabene  
Assistant Vice President, Claims    PSG/beh