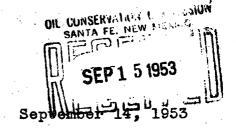


The EMPLOYERS' GROUP Insurance Companies

ALBUQUERQUE CLAIM DEPARTMENT 2508 CENTRAL, S. E. ALBUQUERQUE, NEW MEXICO



Mr. Bill Macey Chief Engineer New Mexico Oil Conservation Comm. State Capitol Building Santa Fe. New Mexico

American Employers Insurance Company Bond # SY 92657 NOLAND & BULLOCK

Dear Mr. Macey

On October 15, 1938, our Company wrote the above captioned bond indemnifying the principal Noland & Bullock to the State of New Mexico. This bond covers the drilling of a well located on the NE 1/4 SE1/4 Section 24, Township 29, North Range 11 West in San Juan County, New Mexico.

Our records indicate that we have not been able to secure a release on our bond from the State of New Mexico due to the fact that this well has never been plugged. In checking with your fieldman in the area, Mr. Emroy Arnold of Aztec, New Mexico, we find that the casing is still in the hole, the land owner is using water from the well and the well can be plugged without disturbing the water well.

In order that we may bring this matter to a conclusion at the earliest possible date, we are asking your advises and assistance in this matter.

One of our principals on this bond, Mr. S. R. Bullock, is now residing at Olathe, Colorado, and to date we have been unable to get any co-operation from him in plugging this well.

Thanking you for your co-operation in this matter. I remain.

Very truly yours

E. Welch Welch Juster

Adjuster

WEW:nh