

GTLT - _____1_____

BONDS



DEPARTMENT OF HEALTH
HIDALGO PUBLIC HEALTH OFFICE
500 EAST 13TH STREET
LORDSBURG, NM 88045

Fax Cover Sheet

DATE: 2-8-96

TIME: 2:45

TO: Ray Johnson

PHONE: ~~548-2260~~

FAX: ~~542-8410~~

PHONE: 548-2260

FAX: 542-8414

827-7131
827-8177

FROM: Tom McCarty

RE:

CC:

Number of pages including cover sheet: 4

Message: *delivered in my hand for the well*

Important Confidentiality Notice. This message is intended only for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential and exempt from disclosure under law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us: NEW MEXICO DEPARTMENT OF HEALTH, 715 E. Idaho, Bldg. 4A, Las Cruces, NM 88001.

IF THERE ARE PROBLEMS WITH THE TRANSMISSION OF THIS DOCUMENT, PLEASE CALL 505-524-6140.

ASSIGNMENT OF CASH COLLATERAL DEPOSIT

(Must be a federally-insured bank or savings institution
within the State of New Mexico)

Date February 8, 1996

Pursuant to Section 70-2-14, NMSA (1978), or successor provisions, Thomas W. McCants (hereinafter referred to as "operator") of HC 65 Box 265 Animas, NM 88020 (address) has deposited with the Sunwest Bank of Grant County (name of state or national bank or savings association) of P.O. Box 1449 Silver City, New Mexico 88062 (address) (herein termed financial institution), the sum of \$2,000.00 dollars in Certificate of Deposit or ~~Money~~ account No. 3250. Operator hereby assigns and conveys all right, title and interest in the deposited sum to the financial institution in trust for the Oil Conservation Division of the Energy and Minerals Department or successor agency of the State of New Mexico. Operator and the financial institution agree that as to the deposited sum or fund:

- a. The Oil Conservation Division acquires by this assignment the entire beneficial interest in the fund, with the right to order the trustee in writing to distribute the fund to persons determined by the division to be entitled thereto, including the Division itself, in amounts determined by the Division, or to the operator upon sale or proper plugging of the well covered by this bond.
- b. Operator retains no legal or beneficial interest in the fund and has only the right to interest, if any, thereon, and to return of the fund upon written order of the Division.
- c. The financial institution agrees that the fund may not be assigned, transferred, pledged or distributed except upon written order of the Division or a court of competent jurisdiction made in a proceeding in which the Division is a party. The financial institution waives all statutory or common law liens or rights of set-off against the fund.

Operator agrees that the financial institution may deduct from interest due operator any attorney fees incurred by the financial institution if claim or demand via writ, summons or other process arising from operator's business is made upon the financial institution.

Thomas W. McCants
Signature of Operator,
Personally or by Authorized Officer

Cecilia L. Pacheco
Signature of Authorized Officer of
Financial Institution

Assistant Vice President

Title

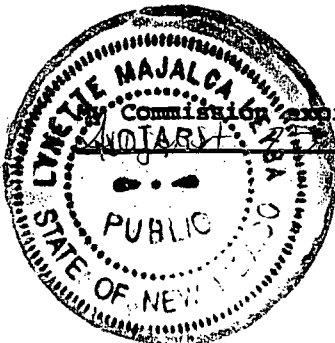
Title

STATE OF NEW MEXICO

COUNTY OF Grant) ss.

On this 8th day of February, 19 96, before me personally appeared Thomas W. McCants and Cecilia L. Pacheco, to me known to be the person (persons) described in and who executed the foregoing instrument and acknowledged that they executed the same as 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.



Lynette Majalca
NOTARY PUBLIC

ASSIGNMENT OF CASH COLLATERAL DEPOSIT

0CD-565

(Must be a federally-insured bank or savings institution within the State of New Mexico)

Date February 8, 1996

Pursuant to Section 70-2-14, NMSA (1978), or successor provisions, Thomas W. McCants (hereinafter referred to as "operator") of HC 65 Box 265 Animas, NM 88020 (address) has deposited with the Southwest Bank of Grant County (name of state or national bank or savings association) of P.O. Box 1449 Silver City, New Mexico 88062 (address) (herein termed financial institution), the sum of \$2,000.00 dollars in Certificate of Deposit or SAVINGS account No. 3250. Operator hereby assigns and conveys all right, title and interest in the deposited sum to the financial institution in trust for the Oil Conservation Division of the Energy and Minerals Department or successor agency of the State of New Mexico. Operator and the financial institution agree that as to the deposited sum or fund:

- The Oil Conservation Division acquires by this assignment the entire beneficial interest in the fund, with the right to order the trustee in writing to distribute the fund to persons determined by the division to be entitled thereto, including the division itself, in amounts determined by the division, or to the operator upon sale or proper plugging of the well covered by this bond.
- Operator retains no legal or beneficial interest in the fund and has only the right to interest, if any, thereon, and to return of the fund upon written order of the Division.
- The financial institution agrees that the fund may not be assigned, transferred, pledged or distributed except upon written order of the Division or a court of competent jurisdiction made in a proceeding in which the Division is a party. The financial institution waives all statutory or common law liens or rights of set-off against the fund.

Operator agrees that the financial institution may deduct from interest due operator any attorney fees incurred by the financial institution if claim or demand via writ, summons or other process arising from operator's business is made upon the financial institution.

Thomas W. McCants
Signature of Operator,
Personally or by Authorized Officer

Cecilia L. Pacheco
Signature of Authorized Officer of
Financial Institution

Assistant Vice President

Title

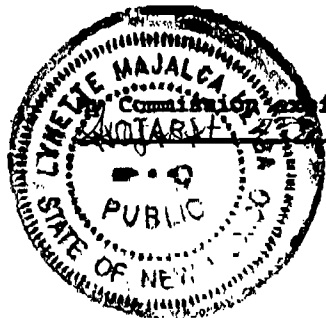
Title

STATE OF NEW MEXICO

COUNTY OF Grant) ss.

On this 8th day of February, 19 96, before me personally appeared Thomas W. McCants and Cecilia L. Pacheco, to me known to be the persons (persons) described in and who acknowledged the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 8th day of February, 1996.



Lynette Majalca
NOTARY PUBLIC

ACKNOWLEDGEMENT FORM FOR NATURAL PERSONS

STATE OF
COUNTY OF

State of New Mexico
GRANT

ss.

On this

8th

day of

February

1990

before me personally appeared

Thomas M. McCants

to me known to be the person (persons)

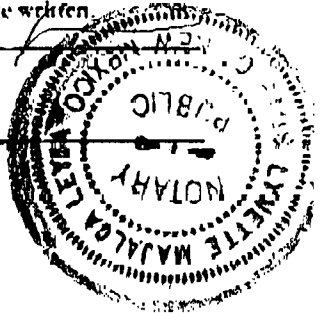
described in and who executed the foregoing instrument and acknowledged that he (they) executed the same as his (their) free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

August 25, 1997

My Commission expires

Lyette Majala
Notary Public



ACKNOWLEDGEMENT FORM FOR CORPORATION

STATE OF
COUNTY OF

ss.

On this

day of

19

before me personally appeared

July sworn, did say that he is

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

APPROVED BY:

OIL CONSERVATION DIVISION OF NEW MEXICO

By

Due

Return to:

Oil Conservation Division
2040 So. Pacheco
Santa Fe, NM 87505

~~Chaves, Eddy, Lea, McKinley, Rio Arriba, Roosevelt, Sandoval, and San Juan Counties, New Mexico~~

~~Projected Depth of Proposed Well
or Actual Depth of Existing Well~~

~~Less than 5,000 feet
5,000 feet to 10,000 feet
|| || || || ||~~

~~All Other Counties in the State:~~

~~Projected Depth of Proposed Well
or Actual Depth of Existing Well~~

~~Less than 5,000 feet
5,000 feet to 10,000 feet
More than 10,000 feet~~
500
2000

Amount of Bond

~~\$ 5,000
\$ 7,500
||~~

Geothermal

Amount of Bond

~~\$ 7,500
\$ 10,000
\$ 12,500~~
2,000
3,000
5,000

RC 1/2/96
me 2/8/96

Form O & G RCD
Adopted 6-1-86

SINGLE WELL CASH BOND

Know all men by these presents that Thomas W. McCurt
(an individual) (a partnership) (a corporation organized
In the State of New Mexico with its principal office at HC 65 Box 265
in the city of Angelinas, State of New Mexico
and authorized to do business in the State of New Mexico) is held and firmly bound to
the Oil Conservation Division of the State of New Mexico (or its successor agency) in
the sum of \$2000.00 two thousand and 00/100, lawful money of
the United States.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

The above applicant/operator desires to drill a well or purchase or operate an
existing well, the depth of which does not exceed 500 ft feet, to
prospect for and produce geothermal resources on land owned by
private individuals or the State of New Mexico, the particular identification and
footage location of said well being as follows: #1 250' from North line
4000' from the west line in Section 7, Township
15S, Range 19 W, NMPM, Hidalgo County, New Mexico. geothermal resources, nonproductive

The applicant has deposited on behalf of the Division \$ 2000.00 in the manner
indicated on the attachment to this bond being the principal sum intended to be
secured. Applicant pledges this sum as a guarantee that it, its executors, assigns,
heirs or administrators shall plug the well described above if dry, or when abandoned,
in accordance with the rules and orders of the Oil Conservation Division of the State
of New Mexico in such way as to confine the oil, gas, and water in the strata in which
they are found, and to prevent same from escaping to other strata. If the applicant
does not so properly plug and abandon said well upon order of the Division, the total
sum of the bond shall be forfeited to the Division, and such amount as is necessary
may be used to properly plug said well. If the principal sum of this bond is less
than the actual cost incurred by the Division in plugging said well, the applicant,
its successors, assigns, heirs or administrators shall be liable under the provisions
of Section 70-2-38 NMSA (1978) of the Oil and Gas Act, and the Division may take
action, including the filing of legal proceedings, to recover any amounts expended
over and above the principal sum of the bond. geothermal resources, nonproductive

NOW THEREFORE, if the above applicant or its successors, assigns, heirs, or
administrators or any of them shall plug the above-described well when dry or
abandoned, in accordance with the rules, regulations, and orders of the Division, in
such a manner as to confine the oil, gas, and water in the strata in which they
naturally occur, and to prevent them from escaping into other strata, and further to
clean up the surface location of said well, then therefore, this obligation shall be
null and void and the principal sum shall be paid to the applicant, or its successors,
heirs, or administrator, otherwise it shall remain in full force and effect.

Thomas W. McCurt

Operator-

HC 65 Box 265, Angelinas, NM 88020

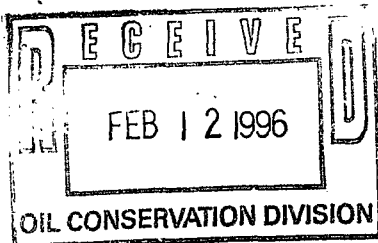
Address

By _____
Signature

By _____

Title

(Note: Principal, if corporation, affix corporate seal here.)



Form O & G ACR
Adopted 6-1-86

SINGLE WELL CASH BOND

Know all men by these presents that Thomas W. McCurt
(an individual) (a partnership) (a corporation organized
in the State of New Mexico with its principal office at HC 65 Box 265
in the city of Angelinas, State of New Mexico
and authorized to do business in the State of New Mexico) is held and firmly bound to
the Oil Conservation Division of the State of New Mexico (or its successor agency) in
the sum of \$2000.00 two thousand and no/100 lawful money of
the United States.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

The above applicant/operator desires to drill a well or purchase or operate an
existing well, the depth of which does not exceed 500 feet, to
prospect for and produce ~~oil, gas, and other minerals~~ geothermal resources on land owned by
private individuals or the State of New Mexico, the particular identification and
footage location of said well being as follows: #1 250' from north line
4000 foot from the west line in Section 7 Township
15S, Range 19 W, NMPM, Hidalgo County, New Mexico. geothermal resources nonproductive

The applicant has deposited on behalf of the Division \$ 2000.00 in the manner
indicated on the attachment to this bond being the principal sum intended to be
secured. Applicant pledges this sum as a guarantee that it, its executors, assigns,
heirs or administrators shall plug the well described above if dry, or when abandoned,
in accordance with the rules and orders of the Oil Conservation Division of the State
of New Mexico in such way as to confine the oil, gas, and water in the strata in which
they are found, and to prevent same from escaping to other strata. If the applicant
does not so properly plug and abandon said well upon order of the Division, the total
sum of the bond shall be forfeited to the Division, and such amount as is necessary
may be used to properly plug said well. If the principal sum of this bond is less
than the actual cost incurred by the Division in plugging said well, the applicant,
its successors, assigns, heirs or administrators shall be liable under the provisions
of Section 70-2-38 NMSA (1978) of the Oil and Gas Act, and the Division may take
action, including the filing of legal proceedings, to recover any amounts expended
over and above the principal sum of the bond.

NOW THEREFORE, if the above applicant or its successors, assigns, heirs, or
administrators or any of them shall plug the above-described well when dry or
abandoned, in accordance with the rules, regulations, and orders of the Division, in
such a manner as to confine the oil, gas, and water in the strata in which they
naturally occur, and to prevent them from escaping into other strata, and further to
clean up the surface location of said well, then therefore, this obligation shall be
null and void and the principal sum shall be paid to the applicant, or its successors,
heirs, or administrator, otherwise it shall remain in full force and effect.

Thomas W. McCurt

Operator-

HC 65 Box 265, Angelinas, NM 88020

Address

By _____
Signature

By _____

Title

(Note: Principal, if corporation, affix corporate seal here.)

ACKNOWLEDGEMENT FORM FOR NATURAL PERSONS

STATE OF GRANT New Mexico
COUNTY OF GRANT ss.

On this 8th day of February, 1996, before me personally appeared Thomas W. McCANTS 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

August 25, 1997
My Commission expires

Dennis Mayalls
Notary Public



ACKNOWLEDGEMENT 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 _____ 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 _____

Return to:

Oil Conservation Division
2040 So. Pacheco
Santa Fe, NM 87505

APPROVED BY:

OIL CONSERVATION DIVISION OF NEW MEXICO

By _____

Date _____

~~Chaves, Eddy, Lea, McKinley, Rio Arriba, Roosevelt, Sandoval, and San Juan Counties, New Mexico:~~

~~Projected Depth of Proposed Well
or Actual Depth of Existing Well~~

~~Less than 5,000 feet
5,000 feet to 10,000 feet
More than 10,000 feet~~

~~Amount of Bond~~

~~\$ 5,000
\$ 7,500
\$10,000~~

All Other Counties in the State:

Projected Depth of Proposed Well
or Actual Depth of Existing Well

500
500 Less than 5,000 feet 2000
500 5,000 feet to 10,000 feet
More than 10,000 feet
2,000

Amount of Bond

\$ 7,500 2,000
\$10,000 3,000
\$12,500 5,000

Geothermal

*RC 1/2/96
me 2/8/96*

(Must be a federally-insured bank or savings institution within the State of New Mexico)

Pursuant to Section 70-2-14, NMSA (1978), or successor provisions, Thomas W. McCants (hereinafter referred to as "operator") of HC 65 Box 265 Animas, NM 88020 (address) has deposited with the Sunwest Bank of Grant County (name of state or national bank or savings association) of P.O. Box 1449 Silver City, New Mexico 88062 (address) (herein termed financial institution), the sum of \$2,000.00 dollars in Certificate of Deposit or ~~SAVINGS~~ account No. 3250. Operator hereby assigns and conveys all right, title and interest in the deposited sum to the financial institution in trust for the Oil Conservation Division of the Energy and Minerals Department or successor agency of the State of New Mexico. Operator and the financial institution agree that as to the deposited sum or fund:

- a. The Oil Conservation Division acquires by this assignment the entire beneficial interest in the fund, with the right to order the trustee in writing to distribute the fund to persons determined by the division to be entitled thereto, including the Division itself, in amounts determined by the Division, or to the operator upon sale or proper plugging of the well covered by this bond.
- b. Operator retains no legal or beneficial interest in the fund and has only the right to interest, if any, thereon, and to return of the fund upon written order of the Division.
- c. The financial institution agrees that the fund may not be assigned, transferred, pledged or distributed except upon written order of the Division or a court of competent jurisdiction made in a proceeding in which the Division is a party. The financial institution waives all statutory or common law liens or rights of set-off against the fund.

Thomas W. McQuinn
Signature of Operator,
Personally or by Authorized Officer

Signature of Authorized Officer of
Financial Institution

Title

COUNTY OF Grant) ss.

On this 8th day of February, 1996, before me personally appeared Thomas W McCants and Cecilia L. Pacheco, to me known to be the person (persons) described in and who executed the foregoing instrument and acknowledged that they executed the same as 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.



Notary Public

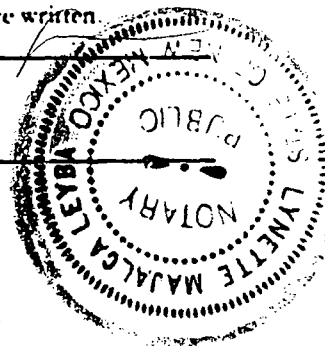
ACKNOWLEDGEMENT FORM FOR NATURAL PERSONS
STATE OF Grant New Mexico
COUNTY OF GRANT ss.

On this 8th day of February, 1996, before me personally appeared Thomas A. McCants 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.

August 25, 1997
My Commission expires

Dorothy Magallon
Notary Public



ACKNOWLEDGEMENT 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

Return to:

Oil Conservation Division
2040 So. Pacheco
Santa Fe, NM 87505

APPROVED BY:

OIL CONSERVATION DIVISION OF NEW MEXICO

By _____

Date _____

~~Chaves, Eddy, Lea, McKinley, Rio Arriba, Roosevelt, Sandoval, and San Juan Counties, New Mexico:~~

~~Projected Depth of Proposed Well
or Actual Depth of Existing Well~~

~~Amount of Bond~~

~~Less than 5,000 feet
5,000 feet to 10,000 feet
More than 10,000 feet~~

~~\$ 5,000
\$ 7,500
\$10,000~~

All Other Counties in the State:

Projected Depth of Proposed Well
or Actual Depth of Existing Well

Amount of Bond

500
~~Less than 5,000 feet~~ 2,000
~~5,000 feet to 10,000 feet~~
~~More than 10,000 feet~~
2,000

2,000
~~\$ 7,500~~
~~\$10,000~~ 3,000
~~\$12,500~~ 5,000

Geothermal

*RC 1/2/96
Re 2/8/96*

SINGLE WELL CASH BOND

Know all men by these presents that Thomas W. McCon
(an individual) (a partnership) (a corporation organized
in the State of New Mexico with its principal office at HC 65 Box 265
in the city of Albuquerque, State of New Mexico
and authorized to do business in the State of New Mexico) is held and firmly bound to
the Oil Conservation Division of the State of New Mexico (or its successor agency) in
the sum of \$2000.00 two thousand and 00/100, lawful money of
the United States.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

The above applicant/operator desires to drill a well or purchase or operate an
existing well, the depth of which does not exceed 500 ft feet, to
prospect for and produce oil, gas, and geothermal resources on land owned by
private individuals or the State of New Mexico, the particular identification and
footage location of said well being as follows: #1 2.50' from North line
4000 feet from the west line in Section 7 Township
25S, Range 19 W, NMPM, Hidalgo County, New Mexico. geothermal resources

The applicant has deposited on behalf of the Division \$ 2000.00 in the manner
indicated on the attachment to this bond being the principal sum intended to be
secured. Applicant pledges this sum as a guarantee that it, its executors, assigns,
heirs or administrators shall plug the well described above if dry, or when abandoned,
in accordance with the rules and orders of the Oil Conservation Division of the State
of New Mexico in such way as to confine the oil, gas, and water in the strata in which
they are found, and to prevent same from escaping to other strata. If the applicant
does not so properly plug and abandon said well upon order of the Division, the total
sum of the bond shall be forfeited to the Division, and such amount as is necessary
may be used to properly plug said well. If the principal sum of this bond is less
than the actual cost incurred by the Division in plugging said well, the applicant,
its successors, assigns, heirs or administrators shall be liable under the provisions
of Section 70-2-38 NMSA (1978) of the Oil and Gas Act, and the Division may take
action, including the filing of legal proceedings, to recover any amounts expended
over and above the principal sum of the bond. geothermal resources

NOW THEREFORE, if the above applicant or its successors, assigns, heirs, or
administrators or any of them shall plug the above-described well when dry or
abandoned, in accordance with the rules, regulations, and orders of the Division, in
such a manner as to confine the oil, gas, and water in the strata in which they
naturally occur, and to prevent them from escaping into other strata, and further to
clean up the surface location of said well, then therefore, this obligation shall be
null and void and the principal sum shall be paid to the applicant, or its successors,
heirs, or administrator, otherwise it shall remain in full force and effect.

Thomas W. McCon
Operator-

HC 65 Box 265, Albuquerque, NM 87102
Address

By _____
Signature

Title

(Note: Principal, if corporation, affix corporate seal here.)

ASSIGNMENT OF CASH COLLATERAL DEPOSIT

(Must be a federally-insured bank or savings institution within the State of New Mexico)

Date February 8, 1996

Pursuant to Section 70-2-14, NMSA (1978), or successor provisions, Thomas W. McCants (hereinafter referred to as "operator") of HC 65 Box 265 Animas, NM 88020 (address) has deposited with the Sunwest Bank of Grant County (name of state or national bank or savings association) of P.O. Box 1449 Silver City, New Mexico 88062 (address) (herein termed financial institution), the sum of \$2,000.00 dollars in Certificate of Deposit or ~~SAVINGS~~ account No. 3250. Operator hereby assigns and conveys all right, title and interest in the deposited sum to the financial institution in trust for the Oil Conservation Division of the Energy and Minerals Department or successor agency of the State of New Mexico. Operator and the financial institution agree that as to the deposited sum or fund:

- The Oil Conservation Division acquires by this assignment the entire beneficial interest in the fund, with the right to order the trustee in writing to distribute the fund to persons determined by the division to be entitled thereto, including the Division itself, in amounts determined by the Division, or to the operator upon sale or proper plugging of the well covered by this bond.
- Operator retains no legal or beneficial interest in the fund and has only the right to interest, if any, thereon, and to return of the fund upon written order of the Division.
- The financial institution agrees that the fund may not be assigned, transferred, pledged or distributed except upon written order of the Division or a court of competent jurisdiction made in a proceeding in which the Division is a party. The financial institution waives all statutory or common law liens or rights of set-off against the fund.

Operator agrees that the financial institution may deduct from interest due operator any attorney fees incurred by the financial institution if claim or demand via writ, summons or other process arising from operator's business is made upon the financial institution.

Thomas W. McCants
Signature of Operator,
Personally or by Authorized Officer

Cecilia L. Pacheco
Signature of Authorized Officer of
Financial Institution

Title

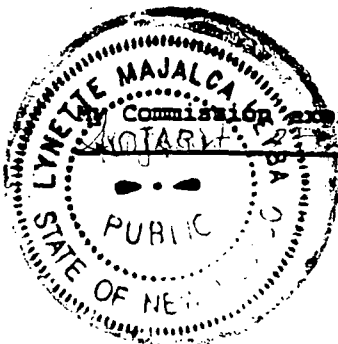
Assistant Vice President

Title

STATE OF NEW MEXICO) ss.
COUNTY OF Grant

On this 8th day of February, 19 96, before me personally appeared Thomas W. McCants and Cecilia L. Pacheco, to me known to be the person (persons) described in and who executed the foregoing instrument and acknowledged that they executed the same as 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.



Lynette Majalca
NOTARY PUBLIC

STATE OF
COUNTY OF

~~Grant~~ New Mexico,
GRANT

ss.

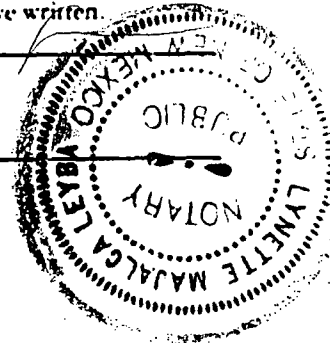
On this 8th day of February, 1990, before me personally appeared
Thomas A. McCants, to me known to be the person (persons)
described in and who executed the foregoing instrument and acknowledged that he (they) executed the same as his (their) free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

August 25, 1997

My Commission expires

Dorothy Magallon
Notary Public



ACKNOWLEDGEMENT 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

Return to:

Oil Conservation Division
2040 So. Pacheco
Santa Fe, NM 87505

APPROVED BY:

OIL CONSERVATION DIVISION OF NEW MEXICO

By _____

Date _____

~~Chaves, Eddy, Lea, McKinley, Rio Arriba, Roosevelt, Sandoval, and San Juan
Counties, New Mexico:~~

~~Projected Depth of Proposed Well
or Actual Depth of Existing Well~~

~~Amount of Bond~~

~~Less than 5,000 feet
5,000 feet to 10,000 feet
More than 10,000 feet~~

~~\$ 5,000
\$ 7,500
\$10,000~~

All Other Counties in the State:

Projected Depth of Proposed Well
or Actual Depth of Existing Well

Amount of Bond

~~500~~
500 Less than 5,000 feet 2,000
500 5,000 feet to 10,000 feet
More than 10,000 feet
2,000

Geothermal
\$ 7,500 2,000
\$10,000 3,000
\$12,500 5,000

RC 1/2/90
me 2/8/90

SINGLE WELL CASH BOND

Know all men by these presents that Thomas W. McCon
(an individual) (a partnership) (a corporation organized
in the State of New Mexico with its principal office at HC 65 Box 265
in the city of Alamogordo, State of New Mexico
and authorized to do business in the State of New Mexico) is held and firmly bound to
the Oil Conservation Division of the State of New Mexico (or its successor agency) in
the sum of \$2000.00 two thousand and 00/100, lawful money of
the United States.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

The above applicant/operator desires to drill a well or purchase or operate an
existing well, the depth of which does not exceed 500 ft feet, to
prospect for and produce ~~oil, gas, and water~~ geothermal resources on land owned by
private individuals or the State of New Mexico, the particular identification, and
footage location of said well being as follows: #1 250' from North line
4000 foot north west line in Section 7 Township
25S, Range 19 W, NMPH, Hidalgo County, New Mexico. geothermal resources

The applicant has deposited on behalf of the Division \$ 2000.00 in the manner
indicated on the attachment to this bond being the principal sum intended to be
secured. Applicant pledges this sum as a guarantee that it, its executors, assigns,
heirs or administrators shall plug the well described above if dry, or when abandoned,
in accordance with the rules and orders of the Oil Conservation Division of the State
of New Mexico in such way as to confine the oil, gas, and water in the strata in which
they are found, and to prevent same from escaping to other strata. If the applicant
does not so properly plug and abandon said well upon order of the Division, the total
sum of the bond shall be forfeited to the Division, and such amount as is necessary
may be used to properly plug said well. If the principal sum of this bond is less
than the actual cost incurred by the Division in plugging said well, the applicant,
its successors, assigns, heirs or administrators shall be liable under the provisions
of Section 70-2-38 NMSA (1978) of the Oil and Gas Act, and the Division may take
action, including the filing of legal proceedings, to recover any amounts expended
over and above the principal sum of the bond.

NOW THEREFORE, if the above applicant or its successors, assigns, heirs, or
administrators or any of them shall plug the above-described well when dry or
abandoned, in accordance with the rules, regulations, and orders of the Division, in
such a manner as to confine the oil, gas, and water in the strata in which they
naturally occur, and to prevent them from escaping into other strata, and further to
clean up the surface location of said well, then therefore, this obligation shall be
null and void and the principal sum shall be paid to the applicant, or its successors,
heirs, or administrator, otherwise it shall remain in full force and effect.

Thomas W. McCon
Operator-

HC 65 Box 265, Alamogordo, New Mexico
Address 88020

By _____
Signature

Title

By _____