Form O & G BCU Adopted 6-1-86

CONSERVE UN DIVISION

SINGLE WELL CASH BOND

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Know all men by these presents that ... Charles E. Yancura

in the State of Texas with	its principal office at 2229 MOSS Trail
in the city of Ga	irland ; state of <u>Texas</u>
and authorized to do business in the Stat	e of New Mexico) is held and firmly bound to
the Oil Conservation Division of the Stat	e of New Mexico (or its successor agency) in
the sum of \$10,000 (Ten Thousand), lawful money of
the United States,	المحتجي بين المحتج بالمحتج المحتج

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 12,500 feet, to prospect for and produce oil, gas, or carbon dioxide 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: <u>Ramco State #2</u> 1980' Fall & 660" FEL in Section 35, Township 16-S Range 35-E Lea County, New Mexico. , NMPM,

The applicant has deposited on behalf of the Division $\frac{10,000.00}{10}$ 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.

<u>Charles E. Yancura</u>	
PRINCIPAL	· · · · ·
29 Moss Trail, Garland, Texas 75044	
Mal Eyon	By
- Signature Owner	
Title	EXHIBIT
te: Principal, il corporation, affix corporate seal here.)	in .
	B OCD # 4 Cove no 1286

	ACKNOWLEDGEMENT FORM	FOR NATU	RAL PERSONS		
INTROF	2×65	55.	• • • •		· ·
On this	1es Van Cura	Sept		me personally uppear be the person (person	rd 15)
escribed in and who execu	ited the foregoing instrument and acknowledge	ed that he (the			•
IN WITNESS WHE	BEVERLY L SCHMER Notary Public	on the day and	year in this certificate lifet a <u> <u> </u> <u> </u> Notary Public</u>	ofte written.	··· · · ·
ly Commission expires	State of Texas My Comm. Exp. 07-12-95	<u>}</u>			· · ·
	ACKNOWLEDGEMENT FOR	M FOR COR	PORATION	· · · · · · · · · · · · · · · · · · ·	· .
TATE OF OUNTY OF)	53.			
On this	day of	······································	, 19, before	me personally appeare nown who, being by n	
ily sworn, did say that he			at the foregoing instrument w		of
ed of said corporation.	n by authority of its board of directors, REOF, I have hereunto set my hand and seal o	and acknowl	edged said instrument to	be the free act ar	
		· · · · · · · · · · · · · · · · · · ·	Notary Public	·	→ - · ·
ly Commission expires					· · · ·
		APPROVE	DBY:		. .
		By	RVATION DIVISIONO	FNEW MEXICO	· · ·
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Chav Counties, New	es, Eddy, Lea, McKinley, Rio / Mexico:	Arriba, Ro	oosevelt, Sandoval,	and San Juan	·
	Projected Depth of Proposed W or Actual Depth of Existing W	lell iell	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 Sta	te:			
•	Projected Depth of Proposed W or Actual Depth of Existing W	ell 1 <u>ell</u>	Amount of Bond		
Alf et alt	Less than 5,000 feet 5,000 feet to 10,000 feet More than 10,000 feet		\$ 7,500 \$10,000 \$12,500	•	nan ogar yennen er L
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ASSIGNMENT OF CASH COLLATERAL DEPOSIT

Must be a federally-insured bank or savings institution authorized to do business in New Mexico)

Date 10 02 92

Pursuant to Section 70-2-14, NMSA (1978), or successor provisions, <u>Charles</u> Yancura (hereinafter referred to as "operator") of <u>Moss Trail, Garland, TX. 75044</u> (address) has deposited with the

UNWEST BANK OF HOBBS NA (name of state or national bank or savings association) of 325 E BENBER-HOBBS NM 88240 (address) (herein termed financial institution), the sum of 10,000.00 Deposit or savings account No. CD NO-3007885 dollars in Certificate of 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 а. 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 ь. 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.

Signature of Operator, Personally or by Authorized Officer

Signature of Authorized Officer

Financial Institution

<u>Owner</u> Title

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Title

STATE OF XXXXXXXXXX Texas COUNTY OF Dallas

On this

My Commission expires:

the

, before me personally appeared narly land to me known to be described in and who executed the foregoing instrument and the person (persons) described in and who executed the foregoing instrument acknowledged that the (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.

chmer NOTARY PUBLIC

