

United States Fire Insurance Company
A New York Corporation
Home Office: New York, N. Y.

Westchester Fire Insurance Company
A New York Corporation
Home Office: New York, N. Y.

International Insurance Company
An Illinois Corporation
Home Office: Chicago, Illinois

The North River Insurance Company
A New Jersey Corporation
Home Office: Township of Morris, N. J.

**CRUM & FORSTER INSURANCE COMPANIES
THE POLICY MAKERS**

ADMINISTRATIVE OFFICES: Madison Avenue at Canfield Road, Morristown, New Jersey

ALL-PURPOSE SURETY CHANGE RIDER

Rider to be attached to and form a part of Bond Number 610 031501 1
on behalf of BOUGH OIL & GAS COMPANY
(Name)
1502 SOUTH MAIN STREET, LOVINGTON, NEW MEXICO 88260 (Principal),
(Address)
and in favor of STATE OF NEW MEXICO (Obligee),
executed by WESTCHESTER FIRE INSURANCE COMPANY, as
Surety, in the amount of FIFTY THOUSAND AND NO/100 (\$ 50,000.00)
Dollars, effective JULY 12, 1978.

The Principal and WESTCHESTER FIRE INSURANCE COMPANY hereby consent to
changing the said bond as follows:

EFFECTIVE FEBRUARY 7, 1983, IT IS UNDERSTOOD AND AGREED THAT THE
PRINCIPAL'S NAME SHALL READ AS:

CECIL LEE OVERCAST DBA CECIL LEE'S COMPANY

Nothing herein contained shall vary, alter or extend any provision or condition of the bond other than as above
stated.

Signed, Sealed and dated this 7TH day of FEBRUARY, 1983.

Accepted By

Obligee

WESTCHESTER FIRE INSURANCE COMPANY

By

LEANNE LASZEWSKI

Surety

Attorney-In-Fact

**POWER OF ATTORNEY
WESTCHESTER FIRE INSURANCE COMPANY
PRINCIPAL OFFICE, NEW YORK, N.Y.**

KNOW ALL MEN BY THESE PRESENTS: That the WESTCHESTER FIRE INSURANCE COMPANY a Corporation duly organized and existing under the laws of the State of New York, and having its administrative offices in the Township of Morris, New Jersey, has made, constituted and appointed, and does by these presents make, constitute and appoint Leanne Laszewski of Dallas, Texas

its true and lawful Agent(s) and Attorney(s)-in-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, seal, acknowledge and deliver: Any and all bonds and undertakings SUBJECT TO THE EXCLUSIONS LISTED BELOW:

1. Bid, Proposal and Final Bonds and Undertakings guaranteeing contracts for the construction or erection of public or private buildings, improvements, and other works and guaranteeing public and private contracts for supplies.
2. Bonds on behalf of Independent Executors, Community Survivors, Community Guardians-----

and to bind the Corporation thereby as fully and to the same extent as if such bonds had been duly executed and acknowledged by the regularly elected officers of the Corporation at its offices in Morris Township, New Jersey in their own proper persons.

This Power of Attorney limits the act of those named therein to the bonds and undertakings specifically named therein, and they have no authority to bind the Company except in the manner and to the extent therein stated.

This Power of Attorney revokes all previous powers issued in behalf of the attorney(s)-in-fact named above.

IN WITNESS WHEREOF the Westchester Fire Insurance Company has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 21st day of December 19 82.



Attest:

WESTCHESTER FIRE INSURANCE COMPANY

Ernest E. Smith
Assistant Secretary

Ernest E. Smith

Joseph P. McGrath
Vice President
Joseph P. McGrath

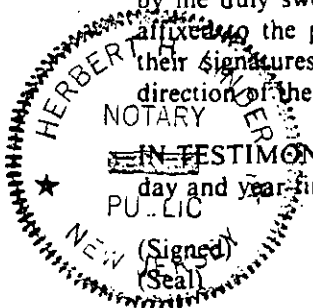
STATE OF NEW JERSEY)
COUNTY OF MORRIS) ss.:

On this 21st day of December 1982, before the subscriber, a duly qualified Notary Public of the State of New Jersey, came the above-mentioned Vice President and Assistant Secretary of the Westchester Fire Insurance Company, to me personally known to be the officers described in, and who executed the preceding instrument, and they acknowledged the execution of the same, and being by me duly sworn, deposed and said, that they are the officers of said Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and the said Corporate Seal and their signatures as officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my seal at the Township of Morris, the day and year first above written.

HERBERT H. LINDER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires April 19, 1983

Herbert H. Linder
Notary Public



This Power of Attorney is granted pursuant to Article IV of the By-Laws of the WESTCHESTER FIRE INSURANCE COMPANY as now in full force and effect.

ARTICLE IV Execution of Instruments. "The Chairman of the Board, Vice-Chairman of the Board, President, or any Vice-President, in conjunction with the Secretary, or any Secretary, if more than one shall be appointed by the Board, or an Assistant Secretary, shall have power on behalf of the Corporation:

(a) to execute, affix the corporate seal manually or by facsimile to, acknowledge, verify and deliver any contracts, obligations, instruments and documents whatsoever in connection with its business including, without limiting the foregoing, any bonds, guarantees, undertakings, recognizances, powers of attorney or revocations of any powers of attorney, stipulations, policies of insurance, deeds, leases, mortgages, releases, satisfactions and agency agreements;

(b) to appoint, in writing, one or more persons for any or all of the purposes mentioned in the preceding paragraph (a), including affixing the seal of the Corporation."

This Power of Attorney is signed and sealed under and by the authority of Article III, Section 9 of the By-Laws of the WESTCHESTER FIRE INSURANCE COMPANY as now in full force and effect.

ARTICLE III Section 9 Facsimile Signatures. "The signature of any officer authorized by the Corporation to sign any bonds, guarantees, undertakings, recognizances, stipulations, powers of attorney or revocations of any powers of attorney and policies of insurance issued by the Corporation may be printed facsimile, lithographed, or otherwise produced . . . The Corporation may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Corporation, notwithstanding the fact that he may have ceased to be such at the time when such instruments shall be issued."

CERTIFICATE

State of New Jersey
County of Morris

I, the undersigned, Assistant Secretary of the WESTCHESTER FIRE INSURANCE COMPANY, DO HEREBY CERTIFY that the foregoing POWER OF ATTORNEY remains in full force and effect and has not been revoked and furthermore that the above quoted abstracts of Article IV and Article III, Section 9 of the By-Laws of the Corporation are now in full force and effect.

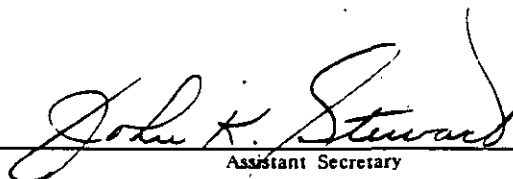
Signed and sealed at the Township of Morris, New Jersey dated

7th

day of

February, 1983.

By



Assistant Secretary

John K. Stewart

JUL 17 1978

Form O & G B-B
Adopted 6-17-77

STATE OF NEW MEXICO

\$50,000.00 BLANKET PLUGGING BOND

BOND NO. 610-031501-1

(For Use of Surety Company)

Note: File with: Oil Conservation Commission, P. O. Box 2088, Santa Fe 87501

KNOW ALL MEN BY THESE PRESENTS:

That Bough Oil & Gas Company, (An individual) (a partnership)
(a corporation organized in the State of New Mexico, with its principal office in the city of
Lovington, State of New Mexico, and authorized to do business in
the State of New Mexico), as PRINCIPAL, and Westchester Fire Insurance Company, a
corporation organized and existing under the laws of the State of New York, and authorized
to do business in the State of New Mexico, as SURETY, are held firmly bound unto the State of New Mexico, for the use
and benefit of the Oil Conservation Commission of New Mexico pursuant to Section 65-3-11, New Mexico Statutes
Annotated, 1953 Compilation, as amended, in the sum of Fifty Thousand Dollars (\$50,000.00) lawful money of the United
States, for the payment of which, well and truly to be made, said 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 above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or
helium gas leases with the State of New Mexico; and

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or
helium gas leases on lands patented by the United States of America to private individuals, and on lands otherwise owned by private
individuals; and

WHEREAS, The above principal, individually, or in association with one or more other parties, has commenced or may commence
the drilling of wells to prospect for and produce oil or gas, or carbon dioxide (CO₂) gas or helium gas, or does own or may acquire, own or
operate such well, or such wells started by others on land embraced in said State oil and gas leases, or carbon dioxide (CO₂) gas leases, or
helium gas leases, and on land patented by the United States of America to private individuals, and on land otherwise owned by private
individuals, the identification and location of said well being expressly waived by both principal and surety hereto.

NOW, THEREFORE, If the above bounden 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, regulations, and orders of the Oil Conservation Commission
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 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 thirty (30) days after receipt by the Oil Conservation Commission of New Mexico of written notice of
cancellation from the surety, the obligation of the surety hereunder shall terminate as to property or wells acquired, drilled, or started after
said thirty (30) day period but shall continue in effect, notwithstanding said notice, as to property or wells theretofore acquired, drilled or
started.

Bough Oil & Gas Company
PRINCIPAL
1502 South Main, Lovington, NM 88260
Address
By X. Clarence C. Wallace
Signature
Partner
Title

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

WESTCHESTER FIRE INSURANCE COMPANY
SURETY
BOX 2639
DALLAS, TEXAS 75221
Address
By L. M. Satterwhite
Attorney-in Fact
L. M. Satterwhite

(Note: Corporate surety affix corporate seal here.)

ACKNOWLEDGEMENT FORM FOR NATURAL PERSONS

STATE OF New Mexico
COUNTY OF Lea) ss.

On this 29th day of June, 1978, before me personally appeared Clarence C. Wallace, 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 5, 1979

My Commission expires

Carolyn Shea
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.

My Commission expires

Notary Public

ACKNOWLEDGEMENT FORM FOR CORPORATE SURETY

STATE OF Texas
COUNTY OF Dallas) ss.

On this 12th day of July, 1978, before me appeared L. M. Satterwhite, to me personally known, who, being by me duly sworn, did say that he is Attorney-in-Fact of Westchester Fire Insurance Company 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.

December 31, 1978

My Commission expires

(Note: Corporate surety attach power of attorney.)

Raymond Mitchell
Notary Public

APPROVED BY:

OIL CONSERVATION COMMISSION OF NEW MEXICO

By Joe R. Roney

Date _____

**POWER OF ATTORNEY
WESTCHESTER FIRE INSURANCE COMPANY
PRINCIPAL OFFICE, NEW YORK, N.Y.**

KNOW ALL MEN BY THESE PRESENTS: That the WESTCHESTER FIRE INSURANCE COMPANY a Corporation duly organized and existing under the laws of the State of New York, and having its administrative offices in the Township of Morris, New Jersey, has made, constituted and appointed, and does by these presents make, constitute and appoint L. M. Satterwhite of Dallas, Texas

its true and lawful Agent(s) and Attorney(s)-in-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, seal, acknowledge and deliver Any and all bonds and undertakings each in a penalty not to exceed the sum of One Million Dollars (\$1,000,000) EXCEPT bonds on behalf of Independent Executors, Community Survivors, Community Guardians-----

and to bind the Corporation thereby as fully and to the same extent as if such bonds had been duly executed and acknowledged by the regularly elected officers of the Corporation at its offices in Morris Township, New Jersey in their own proper persons.

This Power of Attorney limits the act of those named therein to the bonds and undertakings specifically named therein, and they have no authority to bind the Company except in the manner and to the extent therein stated.

This Power of Attorney revokes all previous powers issued in behalf of the attorney(s)-in-fact named above.

IN WITNESS WHEREOF the Westchester Fire Insurance Company has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 21st day of October, 19 74.



Attest:

WESTCHESTER FIRE INSURANCE COMPANY

John K. Stewart
Assistant Secretary
John K. Stewart

Harry F. Bott
Vice President
Harry F. Bott

STATE OF NEW JERSEY)
COUNTY OF MORRIS) ss.:

On this 21st day of October, 19 74, before the subscriber, a duly qualified Notary Public of the State of New Jersey, came the above-mentioned Vice President and Assistant Secretary of the Westchester Fire Insurance Company, to me personally known to be the officers described in, and who executed the preceding instrument, and they acknowledged the execution of the same, and being by me duly sworn, deposed and said, that they are the officers of said Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and the said Corporate Seal and their signatures as officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my seal at the Township of Morris, the day and year first above written.

(Signed)
(Seal)

FRIEDA L. BELLER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires July 2, 1976

Frieda L. Beller
Notary Public

This Power of Attorney is granted pursuant to Article IV of the By-Laws of the WESTCHESTER FIRE INSURANCE COMPANY as now in full force and effect.

ARTICLE IV Execution of Instruments. "The Chairman of the Board, Vice-Chairman of the Board, President, or any Vice-President, in conjunction with the Secretary, or any Secretary, if more than one shall be appointed by the Board, or an Assistant Secretary, shall have power on behalf of the Corporation:

(a) to execute, affix the corporate seal manually or by facsimile to, acknowledge, verify and deliver any contracts, obligations, instruments and documents whatsoever in connection with its business including, without limiting the foregoing, any bonds, guarantees, undertakings, recognizances, powers of attorney or revocations of any powers of attorney, stipulations, policies of insurance, deeds, leases, mortgages, releases, satisfactions and agency agreements;

(b) to appoint, in writing, one or more persons for any or all of the purposes mentioned in the preceding paragraph (a), including affixing the seal of the Corporation."

This Power of Attorney is signed and sealed under and by the authority of Article III, Section 9 of the By-Laws of the WESTCHESTER FIRE INSURANCE COMPANY as now in full force and effect.

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CERTIFICATE

State of New Jersey
County of Morris

I, the undersigned, Assistant Secretary of the WESTCHESTER FIRE INSURANCE COMPANY, DO HEREBY CERTIFY that the foregoing POWER OF ATTORNEY remains in full force and effect and has not been revoked and furthermore that the above quoted abstracts of Article IV and Article III, Section 9 of the By-Laws of the Corporation are now in full force and effect.

Signed and sealed at the Township of Morris, New Jersey dated

12th

day of

July

, 1978.

By

Ernest E. Smith
Assistant Secretary

Ernest E. Smith