

Northstar Oil and Gas Corp.

P.O. Box 168

Sewickley, PA 15143

(412) 352-3787

January 11, 2008

Ms. Gail MacQuesten
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Subject: Release of Plugging Bond

Dear Ms. MacQuesten:

Northstar Oil and Gas has plugged the Davie #1 and the Barbara #1. All surface equipment belonging to Northstar has been removed from the locations and the locations have been leveled. Per the attached letter, the surface owner of the Davie No. 1 location has asked Northstar to leave the location and some items intact at that location so that he may use them in the future. Pipeline risers remain at each location which are a part of the gas gathering system and belong to XTO, who owns the pipeline. Northstar has advised XTO that the wells have been abandoned.

At this time Northstar respectfully requests that its plugging bond be released.

Sincerely,

Northstar Oil and Gas Corp.

John C. Corbett
President

Oil Conservation Commission
Case No. 13920 (reopened)
Exhibit No. 3

Mr. Bill Davie
2425 Downing Street
Denver, 80210

December 7, 2007

John Corbett
Northstar Oil and Gas Corp.
P.O. Box 168
Sewickley, PA 15143

Subject: Davie Well No. 1 Surface Restoration

Dear Mr. Corbett:

This letter is my request as the land and mineral owner to leave the existing power pole, fence and natural gas gathering line connection on the Davie #1 location. Also, rescinding the location is unnecessary because of my plans for the existing well pad.

Sincerely,

Bill Davie

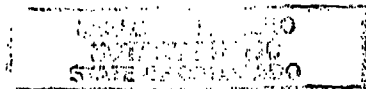


State of Colorado

County of Denver

The foregoing instrument was acknowledged before me this 14th day of ~~December~~ ^{January} 2008, 2007

by Bill Davie


(Notary's official signature)

My Commission Expires on May 10, 2009

May 10th 2009
(Commission expiration date)

Northstar Oil and Gas Corp.

P.O. Box 168

Sewickley, PA 15143

(412) 352-3787

March 11, 2008

**Ms. Gail MacQuesten
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505**

Subject: Release of Plugging Bond

Dear Ms. MacQuesten:

Northstar Oil and Gas has plugged the Davie #1 and the Barbara #1. All surface equipment belonging to Northstar has been removed from the locations and the locations have been leveled. The surface owner of the Davie No. 1 location has asked Northstar to leave the location and some items intact at that location so that he may use them in the future. Pipeline risers remain at each location which are a part of the gas gathering system and belong to XTO, who owns the pipeline. Northstar has advised XTO that the wells have been abandoned.

At this time Northstar respectfully requests that its plugging bond be released.

Sincerely,

Northstar Oil and Gas Corp.

**John C. Corbett
President**