

CMD :  
OG6CWBD

ONGARD  
CAPTURE SINGLE WELL BOND

06/04/08 13:52:47  
OGODLP -TPK9

OGRID Identifier : 9759 API Well No : 30 15 10452  
Operator Name, Address : PARRISH, H DWANE & RHONDA K  
1306 S 9TH ST  
ARTESIA, NM 88210

Bond Idn : 251960 Bond Status : A Prop Idn : 30830  
Prop Name : WELCH STATE Well No : 004  
U/L Sec Township Range North/South East/West Lot Idn  
-----  
Surface Locn : K 17 18S 28E FTG 2630 F S FTG 2230 F W  
API County : 15  
Bond Details : Type (Cash/Surety - C/S) : S Bond Co Idn : 12 Amt : 7474  
Company OGRID Identifier : 224684  
Company Name, Address : LEXON INSURANCE COMPANY  
10002 SHELBYVILLE RD  
SUITE 100  
Effective Date : 01-01-1900 Cancellation Date : 12-31-9999  
Issuer Bond No : 1012800  
E0005: Enter data to modify or PF keys to scroll  
PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 PF08 PF09 COMMENT PF10 NXTBOND PF11 PF12

*Case 14164  
Parrish, H. Dwane & Rhonda K.  
OCD Exhibit No. 2-M*

STATE OF NEW MEXICO  
ONE WELL PLUGGING BOND

For CHAVES, EDDY, LEA, MCKINLEY, RIO ARRIBA, ROOSEVELT,  
SANDOVAL AND SAN JUAN COUNTIES ONLY

BOND NO. 1012800  
WELL DEPTH 2,474  
AMOUNT OF BOND \$7,474.00  
COUNTY Eddy  
Effective 1-1-08

Note: Bond Amount is \$5,000 plus \$1 per foot of projected depth of  
proposed well or measured depth of existing well.

\*Under certain conditions, the appropriate district office of the Division may authorize a well to be drilled as  
much as 500 feet deeper than the depth provided in the applicable financial assurance. (See Rule 101)

File with the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM 87505

KNOW ALL MEN BY THESE PRESENTS:

That H. Dwane & Rhonda K. Parrish (an individual – if dba must read – Example: John Doe dba ABC  
Services) ~~(an individual – if dba must read – Example: John Doe dba ABC Services)~~ organized in the State  
of New Mexico, and authorized to do business in the State of New Mexico, as PRINCIPAL,  
and Lexon Insurance Company, a corporation organized and existing under the laws of the State of  
Texas and authorized to do business in the State of New Mexico, as SURETY, are firmly bound unto the  
State of New Mexico, for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural  
Resources Department (or successor agency) (the DIVISION), pursuant to NMSA 1978, Section 70-2-14, as amended, in  
the sum of \$7,474.00, for the payment of which the 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 PRINCIPAL has commenced or may commence the drilling of one well to a depth not to exceed  
2474 feet, to prospect for and/or produce oil or gas, carbon dioxide gas, helium gas or brine minerals, or as  
an injection or other service well related to such exploration or production, or does own or operate, or may acquire, own  
or operate such well, the identification and location of said well being:

Welch State No. 004 API No. 30-015-10452, located 2630 feet from the  
South (Name of Well)  
South (North/South) line and 2230 feet from the West (East/West) line  
of Section 17 Township 18S (North) (South), Range 28E (East) (West),  
NMPM, Eddy County, New Mexico.

NOW, THEREFORE, if the PRINCIPAL and SURETY or either of them, or their successors or assigns or any of  
them, shall cause said well be properly plugged and abandoned when dry or when no longer productive or useful for other  
beneficial purpose, in accordance with the rules and orders of the DIVISION, including but not limited to Rules 101  
[19.15.3.101 NMAC] and 202 [19.15.4.202 NMAC], as such rules now exist or may hereafter be amended;

THEN AND IN THAT EVENT, 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.

H. Dwane & Rhonda K. Parrish  
PRINCIPAL  
1306 South-9th, Artesia, NM 88210  
Address  
Signature  
Title

Lexon Insurance Company  
SURETY  
10002 Shelbyville Road, Suite 100, Louisville, KY 40223  
Address  
Attorney-in-Fact  
Andrew C. Allison

If PRINCIPAL is a corporation, affix  
Corporate seal here

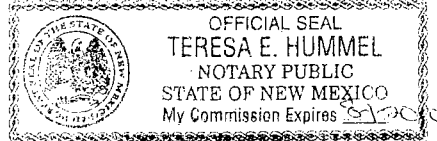
Corporate surety affix  
Corporate seal here

## ACKNOWLEDGMENT FORM FOR INDIVIDUAL

(If dba, must read - Example: John Doe dba Well Services)

STATE OF New MexicoCOUNTY OF SandovalThis instrument was acknowledged before me on this 4th day of Feb 20 08by H. Duane Darrish Jr  
(Name of Individual)Teresa E. Hummel  
Notary Public

SEAL

8-1-2010  
My Commission Expires

## ACKNOWLEDGMENT FORM FOR PARTNERSHIP, CORPORATION, OR LIMITED LIABILITY COMPANY

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

This instrument was acknowledged before me on \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ by \_\_\_\_\_  
(Name of Person Signing Instrument)as \_\_\_\_\_ of \_\_\_\_\_  
(Capacity, e.g., partner, president, manager, member) (Name of partnership, corporation or limited liability company)\_\_\_\_\_  
Notary Public

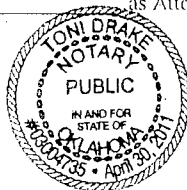
SEAL

\_\_\_\_\_  
My Commission Expires

## ACKNOWLEDGMENT FORM FOR CORPORATE SURETY

STATE OF OklahomaCOUNTY OF OklahomaThis instrument was acknowledged before me on this 29th day of January 20 08,by Andrew C. Allison as Attorney-in-Fact for Lexon Insurance Company  
(Name of Attorney-in-Fact) (Name of Corporate Surety)

SEAL

4/30/11  
My Commission ExpiresToni Drake  
Notary PublicCorporate Surety attach Power of Attorney

APPROVED BY:

OIL CONSERVATION DIVISION OF NEW MEXICO

By David K. BrooksDate 2-11-08

## POWER OF ATTORNEY

LX - 23299

**Lexon Insurance Company**

KNOW ALL MEN BY THESE PRESENTS, that **LEXON INSURANCE COMPANY**, a Texas Corporation, with its principal office in Louisville, Kentucky, does hereby constitute and appoint:

Atlas E. Wilder III, Tina E. Switzer, Andrew C. Allison, Fred A. Barker \*\*\*\*\*

its true and lawful Attorney(s)-In-Fact to make, execute, seal and deliver for, and on its behalf as surety, any and all bonds, undertakings or other writings obligatory in nature of a bond.

This authority is made under and by the authority of a resolution which was passed by the Board of Directors of **LEXON INSURANCE COMPANY** on the 1st day of July, 2003 as follows:

Resolved, that the President of the Company is hereby authorized to appoint and empower any representative of the Company or other person or persons as Attorney-In-Fact to execute on behalf of the Company any bonds, undertakings, policies, contracts of indemnity or other writings obligatory in nature of a bond not to exceed \$2,500,000.00, Two-million five hundred thousand dollars, which the Company might execute through its duly elected officers, and affix the seal of the Company thereto. Any said execution of such documents by an Attorney-In-Fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company. Any Attorney-In-Fact, so appointed, may be removed for good cause and the authority so granted may be revoked as specified in the Power of Attorney.

Resolved, that the signature of the President and the seal of the Company may be affixed by facsimile on any power of attorney granted, and the signature of the Vice President, and the seal of the Company may be affixed by facsimile to any certificate of any such power and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certificate so executed and sealed shall, with respect to any bond of undertaking to which it is attached, continue to be valid and binding on the Company.

IN WITNESS THEREOF, **LEXON INSURANCE COMPANY** has caused this instrument to be signed by its President, and its Corporate Seal to be affixed this 2nd day of July, 2003.

**LEXON INSURANCE COMPANY**

BY

David E. Campbell  
President

**ACKNOWLEDGEMENT**

On this 2nd day of July, 2003, before me, personally came David E. Campbell to me known, who being duly sworn, did depose and say that he is the President of **LEXON INSURANCE COMPANY**, the corporation described in and which executed the above instrument; that he executed said instrument on behalf of the corporation by authority of his office under the By-laws of said corporation.

"OFFICIAL SEAL"  
LYDIA J. DEJONG  
NOTARY PUBLIC, STATE OF ILLINOIS  
MY COMMISSION EXPIRES 1/12/2007

Lydia J. DeJong  
Notary Public

**CERTIFICATE**

I, the undersigned, Secretary of **LEXON INSURANCE COMPANY**, A Texas Insurance Company, DO HEREBY CERTIFY that the original Power of Attorney of which the foregoing is a true and correct copy, is in full force and effect and has not been revoked and the resolutions as set forth are now in force.

Signed and Sealed at Lombard, Illinois this 29th Day of Jan, 20 08



Donald D. Buchanan  
Secretary