

PLUGGING PROCEDURE

Cambern & Associates Oil & Gas
Smith #1
L-21-31N-03E
30-039-24195
Rio Arriba County

Presumed downhole conditions and equipment
7 " casing at 80 ft. Circ.
6 1/4 Hole to 300 ft. ??

1. Go in hole with tbg. and set a plug from 300 ft. to surface.
2. Restore location and install a dry hole marker.

PRINCIPAL: CAMBERN & ASSOC. OIL AND GAS (Walter J. Cambern)

SURETY:

BOND NO.: OCD-106

TYPE: \$5,000 Single Well Cash Bond

APPROVED: November 19, 1987

CANCELLED:

WELL LOCATION: ^{2970'} FWL and 1650' FSL of Sec. 2,
T-31-N, R-2-E, Rio Arriba

*Southwest Bank of Rio Arriba, N.A.
Chama, NM*

1/20/88

11486

BEFORE EXAMINER STOGNER	
OIL CONSERVATION DIVISION	
<i>OCD</i>	EXHIBIT NO. <i>2</i>
CASE NO.	<i>11486</i>

1

600-106

SINGLE WELL CASH BOND

Walter J. Cambern

Know all men by these presents that Cambern & Assoc. Oil and Gas

~~(an individual) - (a partnership) - (a corporation organized~~

in the State of Texas with its principal office at Rt. 1 Box 501A
in the city of Amarillo, State of Texas

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 \$5000.00 (_____), 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 2000 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: See plat on c-102 (attached)
2970' FWL and 1650' FSL in Section 2, Township
31 N, Range 2E, NMPM, Rio Arriba County, New Mexico.

The applicant has deposited on behalf of the Division \$5000.00, 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 provision
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 successor,
heirs, or administrator, otherwise it shall remain in full force and effect.

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SEP 10 1986

Oil Conservation Division
New Mexico

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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 November 18, 1987

Pursuant to Section 70-2-14, NMSA (1978), or successor provisions, Cambern & Assoc.
Oil and Gas (hereinafter referred to as "operator") of Rt. 1 Box 50
Amarillo, Texas 79106 (address) has deposited with the _____
_____ (name of state or national bank or savings association) of
_____ (address) (herein termed
financial institution), the sum of \$5000.00 dollars in Certificate of
Deposit or savings account No. _____. 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.

Walter J. Cambern
Signature of Operator,
Personally or by Authorized Officer

Candie Martinez
Signature of Authorized Officer of
Financial Institution

Operator
Title

Vice President
Title

STATE OF NEW MEXICO
COUNTY OF Rio Arriba)^{ss.}

On this 18th day of November, 1987, before me personally appeared Walter J. Cambern and Candie Martinez, to me known to be the person (persons) described in and who executed the foregoing instrument and 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.

Carla Martinez
NOTARY PUBLIC

My Commission expires:
December 2, 1991

Cambern & Assoc, Oil & Gas.

PRINCIPAL

Rt. 1 Box 501 A , Amarillo, TX 79106

By Walter J. Camben
Signature
Operator
Title

SURETY

Address

By _____
Attorney-in Fact

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

(Note: Corporate surety affix corporate seal here.)

ACKNOWLEDGEMENT FORM FOR NATURAL PERSONS

STATE OF New Mexico)
COUNTY OF Rio Arriba) ss.

On this 18th day of November, 1987, before me personally appeared Walter J. Camben, 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.

December 2, 1991
My Commission expires

Carla Martinez
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

APPROVED BY:

OIL CONSERVATION COMMISSION OF NEW MEXICO

By [Signature]

Date _____

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STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

November 19, 1987

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

L-21-31N-03E
1550 FSL + 660 FWL

*Should be Martin Harder Survey
EB*

Mr. Walter J. Cambern
Cambern & Assoc. Oil and Gas
Rt. 1, Box 501 A
Amarillo, Texas 79106

Re: \$5,000 Single Well Cash Bond
Walter J. Cambern dba Cambern &
Assoc. Oil and Gas, Operator
2970' FWL and 1650' FSL of Sec. 2,
T-31-N, R-2-E, Rio Arriba County
Bond No. OCD-106

Dear Mr. Cambern:

The Oil Conservation Division hereby approves the above-
captioned single well bond effective this date.

Sincerely,

William J. Lemay
WILLIAM J. LEMAY,
Director

dr/

cc: Oil Conservation Division
Aztec, New Mexico

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NOV 23 1987
OIL CON. DIV.
DIST. 3

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