

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISIONGARREY CARRUTHERS
GOVERNOR

RECEIVED	DATE	TIME	BY
	10-21-87		3
CASE NO. 1213			

POST OFFICE BOX 2000
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5000MEMORANDUM

TO: JEFF TAYLOR, GENERAL COUNSEL

FROM: DIANE RICHARDSON, BOND ADMINISTRATOR

RE: \$50,000 BLANKET PLUGGING BOND FOR PARAMOUNT
PETROLEUM COMPANY
BOND NO. 1074-8467

In response to a telephone call from Frank Chavez, Supervisor of our Aztec District Office, wherein he advised that a bond issued to the Bureau of Land Management under the name of Paramount Petroleum Company was a bogus plugging bond, I checked into the bond we are holding for Paramount. Apparently this bond is no good as National Surety Corporation has been unable to find any record of the individuals signing this bond as representatives of the insurance company.

Since there are many wells outstanding on this bond, the cost to the State is going to be tremendous.

Please look into what we can do and I would appreciate your advising me of the action you plan to take.

June 22, 1987

*Jeff - I have not had a response to
Diane - 7/20/87*