

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



May 7, 2012

Rice Environmental Consulting and Safety
122 W. Taylor Street
Hobbs, NM 88240

HOBBS OCD

MAY 21 2012

**Re: State of New Mexico
Contract No. 11-521-005355AB
Purchase Order 52100-0000033601
Plugging of 1 Well in Lea County, New Mexico
East Pearl Queen Unit No. 36 – 30-025-03221
formerly operated by Xeric Oil & Gas Corporation
LEXON INSURANCE COMPANY
LABOR AND MATERIAL PAYMENT BOND NO. 1062094**

RECEIVED

Dear Sir:

We are in receipt of Subcontractor/Supplier Waiver of Final Liens on the above referenced contract and therefore release the above-referenced Labor and Material Payment Bond.

Should you have questions, please feel free to call the undersigned at (505)-476-3450.

Very truly yours,

David K. Brooks
Assistant General Counsel

Accepted for Record Only

cc. E L Gonzales - OCD Hobbs

Lexon Insurance Company
10002 Shelbyville Rd., Suite 100
Louisville, KY 40223

JUN 11 2012