OIL CONSERVATION COMMISSION P. O. BOX 2088 JUL 9 11 15 M '65 SANTA FE, NEW MEXICO

July 8, 1965

Presidio Operating Company, Inc. P. O. Box 6598 Dallas, Texas

> Re: \$10,000 Blanket Plugging Presidio Operating Co., Inc., General Insurance Company of America

Gentlemen:

We are in receipt of a Consent of Surety Rider from General Insurance Company of America to change the name of the principal on the above-captioned bond from Presidio Operating Company, Inc. to Capitan, Inc.

Before we can approve the above Rider, it will be necessary that final disposition be made of your Drew No. 1 Well in the NW SE, Section 18, Township 8 South, Range 34 East. We have received a Notice of Intention to Plug this well, and as soon as the Results of Final Plugging is approved by our Hobbs District Office, the Rider effecting the name change will be approved.

In the alternative, if you anticipate that it will be some time before final plugging of the Drew well will be accomplished and you desire approval of the Rider prior to that time, you may file with our Hobbs Office, Form C-103, indicating thereon change of ownership of the Drew well from Presidio to Capitan, Inc., and the Change in Name Rider will be approved at once.

If we can assist you further in this matter, please advise.

Very truly yours,

I. R. TRUJILLO Administrative Assistant

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