

HARVEY
OPERATING & PRODUCTION CO.



00202425

July 30, 1990

State of Colorado
Oil and Gas Conservation Commission
Department of Natural Resources
1580 Logan Street, Suite 380
Denver, CO 80203

Re: OGCC Lease #48281
Peltier 1-11
NESW Sec. 11-T6N-R87W
Routt County, CO

Dear Sir:

Enclosed please find a copy of the Certification of Change of Operator from Harvey Operating and Production Company to CREDO Petroleum Corporation for the above referenced well. Also, enclosed is a copy of CREDO Petroleum Corporation's Colorado Plugging Bond #5725 which is effective 6/25/90 until replaced or released.

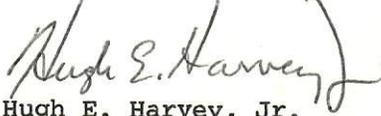
Since CREDO is now the responsible party for the above referenced lease, your consideration in releasing the bond Harvey Operating and Production Company filed with the State would be appreciated.

Allied Bond

If we can be of any assistance regarding the release of the bond, please do not hesitate to contact me.

Sincerely,

HARVEY OPERATING AND PRODUCTION COMPANY


Hugh E. Harvey, Jr.
President

HEH/clw
Encls.

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JUL 31 1990

COLO. OIL & GAS CONS. COMM

STATE OF COLORADO
OIL AND GAS CONSERVATION COMMISSION
DEPARTMENT OF NATURAL RESOURCES

COPY

BOND
(Plugging)

KNOW ALL MEN BY THESE PRESENTS, That we, CREDO PETROLEUM CORPORATION
1860 Lincoln, Suite 1000, Denver, Colorado 80295

of the County of Denver, in the State of Colorado
as principals, and PIONEER GENERAL INSURANCE COMPANY, as surety, authorized to do business in the State
of Colorado, are held hereby and firmly bound unto the State of Colorado, in the penal sum of (\$ 5,000.00),
FIVE THOUSAND AND NO/100 Dollars, lawful money of the United States, for the
faithful payment of which we hereby bind ourselves, our heirs, executors, administrators and assigns.

The condition of this obligation is that whereas the above bounden principals propose the drilling of a test well or wells
for oil or gas (on lands situated in the State of Colorado) on the following described land:

Blanket Bond: To Cover All Wells Drilled in the State of Colorado

Individual Bond: Well No. _____ Lease _____
Section E 1/2 SW 1/4 Sec 11 Township 6N Range 87W
Routt _____ County, Colorado

NOW, THEREFORE, If the above bounden principals shall comply with all of the provisions of the laws of the State of
Colorado and the rules, regulations and requirements of the Oil and Gas Conservation Commission of the State of Colorado, with refer-
ence to properly plugging said well or wells, then this obligation is void; otherwise, the same shall be and remain in full force and effect.

Witness our hands, this 26th day of June, 1990.

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JUL 31 1990

COLO. OIL & GAS CONSERV. COMM

CREDO PETROLEUM CORPORATION

James T. Huffman, President

Principals

Witness our hands, this 25th day of June, 1990.

PIONEER GENERAL INSURANCE COMPANY

Robert H. Warburton

Approved: _____
Director, Oil & Gas Conservation
Commission of the State of Colorado

ATTORNEY IN FACT

Surety

Dated: _____

PIONEER GENERAL INSURANCE COMPANY

Littleton, Colorado

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the PIONEER GENERAL INSURANCE COMPANY, a corporation of the State of South Carolina have in its principal office in the City of Littleton, Colorado pursuant to the following By-law, which was adopted by the Board of Directors of the said Company in 1946, to wit:

"Article V - Section 1: RESIDENT OFFICERS AND ATTORNEYS-IN-FACT. The President or any Vice-President, acting with any Secretary or Assistant Secretary, shall have the authority to appoint Resident Vice-Presidents and Attorneys-In-Fact, with the power and authority to sign, execute, acknowledge and deliver on its behalf, as Surety. Any and all undertakings of suretyship and to affix therein the corporate seal of the corporation. The President or any Vice-President, acting with any Secretary or Assistant Secretary, shall also have the authority to remove and revoke the authority of any such appointee at any time."

ROBERT H. WARBURTON
of
Littleton, Colorado

Its true and lawful Attorney(s)-In-Fact, to make, execute, seal and deliver for and on its behalf, as Surety:

Any and all undertakings of suretyship

And the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its offices in Littleton, Colorado, in their own persons.

The following Resolution was adopted at the Regular Meeting of the Board of Directors of the Pioneer General Insurance Company, held on February 24, 1987.

"RESOLVED, That the signatures of officers of the Company and the seal of the Company may be affixed by facsimile to any Power of Attorney executed in accordance with Article V - Section 1 of the Company By-laws, and that any such Power of Attorney bearing such facsimile signatures, including the facsimile signature of a certifying Assistant Secretary and facsimile seal shall be valid and binding upon the Company with respect to any bond, undertaking or contract of suretyship to which it is attached."

All authority hereby conferred shall remain in full force and effect until terminated by the Company.

IN WITNESS WHEREOF, PIONEER GENERAL INSURANCE COMPANY has caused these presents to be signed by its President and its corporate seal to be hereunto affixed this 1st day of June, 19 90

PIONEER GENERAL INSURANCE COMPANY

Albert C. Smith, Sr.

PRESIDENT



Secretary
State of Colorado)
) ss.
County of Arapahoe)

By

On this 1st day of June, 19 90, before me personally came Albert C. Smith, Sr. to me known, who being by me duly sworn, did depose and say that (s)he resides in the County of Arapahoe, State of Colorado; that (s)he is the President of the PIONEER GENERAL INSURANCE COMPANY, the corporation described in and which executed the above instrument; that (s)he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal that it was so affixed by order of the Board of Directors of said corporation; that (s)he signed (his) (her) name by like order; and that By-law, Article V - Section 1, adopted by the Board of Directors of said Company, referred to in the preceding instrument, is now in force.

JUL 31 1990

My Commission Expires 11-05-93

COLO. OIL & GAS CONS. COMM.

Notary Public

Salli Del Ponte

I, Gussie M. Smith, Assistant Secretary of PIONEER GENERAL INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney executed by said PIONEER GENERAL INSURANCE COMPANY, which is still in full force and effect. Signed and sealed at the City of Littleton, Colorado this 25th day of June, 19 90

Assistant Secretary

Gussie M. Smith

FREBERG & COMPANY INC

INSURANCE

1675 Broadway, Suite 2210
Denver, Colorado 80202
303 571-4235
Fax 303 571-0936

June 26, 1990

Mr. Doug Horvey
CREDO PETROLEUM CORPORATION
1860 Lincoln St. #1000
Denver, CO 80295

RE: Colorado Plugging Bond #5725
Effective: 6/25/90 until replaced or released

Dear Doug:

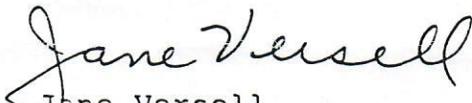
Enclosed is the referenced bond. Once it is signed by Jim Huffman and the Corporate Seal affixed, it is ready for filing with the State.

The annual premium charge is \$100 subject to a \$500 minimum deposit. Our invoice for the deposit is enclosed. We will bill an additional \$100 a year beginning 6/25/91, until the bond is either replaced or released by the State.

Pioneer's General Information/Indemnity Agreement is also enclosed. Please have this document signed by the President and Corporate Secretary, signatures Witnessed and return to me in the envelope provided no later than the end of this week.

Do not hesitate to give me a call if you have any questions.

Sincerely,



Jane Versell
Vice President

Enclosures

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COLO. OIL & GAS CONS. COMM