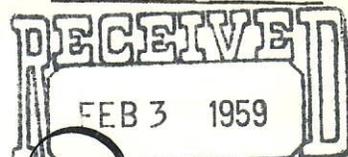




and No. SY-274492



AMERICAN EMPLOYERS' INSURANCE COMPANY

OIL & GAS CONSERVATION COMMISSION

INSURANCE COMPANY, BOSTON, MASSACHUSETTS

KNOW ALL MEN BY THESE PRESENTS, That we, SIGNET OPERATING AND EXPLORATION CO.
245 Petroleum Club Building

of the County of Denver, in the State of Colorado,
as principals, and American Employers' Insurance Company
of Boston, Mass., 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 (\$2,500.00), Two Thousand Five Hundred 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 have
commenced 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:

Lease Name Welsh Well No. 1 Description C SE SW
Section 23, Township 9N, Range 53W, Logan
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 reference 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 3rd day of February, 19 59.

Signet Operating and Exploration Co.

By: _____
Principals

Witness our hands, this 3rd day of February, 19 59.

AMERICAN EMPLOYERS' INSURANCE COMPANY

Surety

By: Barbara F. Westaway
Barbara F. Westaway
Attorney-in-fact

Approved FEB - 3 1959

A. J. Jersin

**CERTIFIED COPY OF POWER OF ATTORNEY
AMERICAN EMPLOYERS' INSURANCE COMPANY**

STATE OF **Colorado**
COUNTY OF **Denver** } ss.

I, the undersigned, Attorney-in-Fact of the AMERICAN EMPLOYERS' INSURANCE COMPANY, do hereby certify that I have compared the following Power of Attorney with the original thereof and that the following is a full, true and accurate copy of the original which is in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company on

Joseph A. Pusey, Jr.
Attorney-in-Fact

KNOW ALL MEN BY THESE PRESENTS, that the AMERICAN EMPLOYERS' INSURANCE COMPANY, a corporation duly organized and existing under the laws of the Commonwealth of Massachusetts, and having its principal office in the City of Boston, Mass., hath made, constituted and appointed and does by these presents make and constitute and appoint

Barbara F. Westaway of Denver, Colorado

its true and lawful Attorney-in-Fact, with full power and authority hereby conferred in its name, place and stead, to sign, execute and acknowledge for and on its behalf as surety any and all bonds or undertakings required in amounts not exceeding

Five hundred thousand dollars (\$500,000.)

BEST IMAGE
AVAILABLE

~~This is void if not recorded in the financial records~~
and to bind the AMERICAN EMPLOYERS' INSURANCE COMPANY thereby as fully and to the same extent as if such bonds were signed by the President, sealed with the common seal of the Company, and duly attested by its Secretary, hereby ratifying and confirming all the acts of said Attorney-in-Fact pursuant to the power herein given. This Power of Attorney is made and executed pursuant to and by authority of the following resolutions adopted by the Board of Directors of the AMERICAN EMPLOYERS' INSURANCE COMPANY at a meeting duly called and held on the Eighteenth day of October, 1937.

Resolved: That the President, or any Vice-President, may execute for and in behalf of the company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, the same to be attested when necessary and the seal of the company affixed thereto by the Secretary, or any Assistant Secretary; and that the President, or any Vice-President, may appoint and authorize an Attorney-in-Fact to execute on behalf of the company any and all such instruments and to affix the seal of the company thereto; and that the President, or any Vice-President, may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That Attorneys-in-Fact may be given full power and authority to execute for and in the name and on behalf of the company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the company as if signed by the President and sealed and attested by the Secretary, and, further, Attorneys-in-Fact are hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and are, also, authorized and empowered to certify to a copy of any of the by-laws of the company as well as any resolution of the Directors having to do with the execution of bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, or with regard to the powers of any of the officers of the company or of Attorneys-in-Fact.

IN WITNESS WHEREOF, the AMERICAN EMPLOYERS' INSURANCE COMPANY, has caused these presents to be signed by its **Vice-** President and its corporate seal to be hereto affixed, duly attested by its Assistant Secretary

on **October 29, 1958**
(Seal)

AMERICAN EMPLOYERS' INSURANCE COMPANY

By (Signed) L. F. Ballerene
Vice- President

Attest: (Signed) Joseph H. Johnson
Assistant Secretary

COMMONWEALTH OF MASSACHUSETTS }
COUNTY OF SUFFOLK } ss.

On the date of the execution of the preceding instrument, before me personally came the above-named **Vice-** President and Assistant Secretary of the AMERICAN EMPLOYERS' INSURANCE COMPANY, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they acknowledged the execution of the same, and being by me duly sworn, severally and each for himself depose and sayeth, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the corporate seal of said Company and that the said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Company.

(Signed) Viola M. MacKean
Notary Public

AMERICAN
EMPLOYERS'

INSURANCE COMPANY, BOSTON, MASSACHUSETTS

AN EMPLOYERS' GROUP COMPANY



Morrison & Morrison
INC.

R. W. FINDLAY, MGR. INSURANCE DEPT.

1620 COURT PLACE ● DENVER 2, COLORADO
AM. 6-2101