



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

August 30, 1991

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

Pride Pipeline Company
P.O. Box 3237
Abilene, TX 79604

Attn: Johnny Huff

Re: Transportation of Oil Without Approved C-104
Fina Oil and Chemical Company
Genesis #1-P Sec. 22, T16S, R38E
East Garrett Drinkard Pool

Gentlemen:

It has come to my attention that you have been transporting oil from the above-referenced lease since June 1991 without an approved C-104.

This is in violation of Rule 1104 and Rule 803 and subject to fine under Chapter 70 Oil and Gas Act, New Mexico Statutes 1978. Any further disregard for complete compliance with our rules and regulations will be ground for recommendation that a fine be assessed.

Very truly yours,

OIL CONSERVATION DIVISION

A handwritten signature in cursive script that reads "Jerry Sexton".

Jerry Sexton
Supervisor, District

JS/ed

cc: Bob Stovall, OCD Attorney