

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Response Required – Deadline Enclosed

27-Apr-10

PRIDE ENERGY COMPANY
P.O. BOX 701602
TULSA, OK 74170-1602

LETTER OF VIOLATION Delinquent Regulatory Filings

Dear Operator:

Oil Conservation Division ("OCD") records indicate that you failed to file the required reports identified below, or that your filings were incomplete or inaccurate.

NON-COMPLIANT WELL DETAIL SECTION

SOUTH FOUR LAKES UNIT No.016

Location: 2-12S-34E

30-025-37248-00-00

Original Well Type: Oil (Producing)

Well Status: Plugged (NOT Released)

Determination or Violation Date: 4/27/2010

Delinquent Report or Filing(s): - Other Monitoring and Reporting Violation

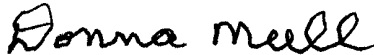
Comments: "SECOND REQUEST" After reviewing OCD well file for this well, there is paperwork not yet received and approved on this well. The well is plugged but OCD does not have a subsequent report on how and when the well was PA'd. Please send this information on form C-103 to the Hobbs office. If you have questions on this matter, please call Donna Mull (575) 393-6161 ext 115.

CORRECTIVE ACTION ON THIS WELL DUE BY: 5/18/2010

Please file or correct the reports identified above by the corrective action due date indicated. If you fail to file or correct the reports by that date, the OCD will take enforcement action that may include but is not limited to applying for an order assessing civil penalties and/or requiring you to plug and abandon the wells associated with those reports.

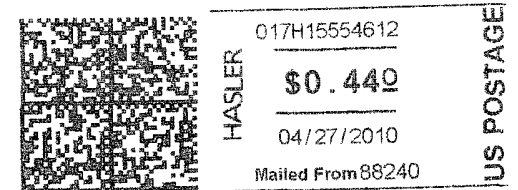
Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,



Hobbs OCD District Office

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



Pride Energy Co
ATT: Matthew Pride
PO Box 701950
Tulsa OK 74170