BRUCE KING GOVERNOR LARRY KEHOE SECRETARY

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE January 26, 1981

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88240 (505) 393-6161

Sun Oil Company P. O. Box 1861 Midland, Texas 79702

Re: Dessie Sawyer Lease

Section 27, T-9-S, R-36-E Lea County, New Mexico

Gentlemen:

There is a disagreement on who owns the oil recovered from the plugging operations on the Dessie Sawyer Lease and at this time the Oil Conservation Division has two Forms C-104 requesting permission to sell this oil.

Because of the above dispute, the Oil Conservation Division lawyer has advised me to hold both Forms C-104 requesting approval to sell this oil until the dispute has been settled in court or between the parties.

Enclosed are copies of both Forms C-104 for the same oil.

Yours very truly,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District 1

JS/mc Encl.