STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

April 5, 1988

GARREY CARRUTHERS

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

Mr. Ralph Dreyer, Attorney 40 West Twohig, Suite 402 San Angelo, TX 76903

Dear Mr. Dreyer:

Enclosed you will find bond forms covering surety and cash bonds. Also enclosed is a copy of general instructions for filing forms and the information on bonds can be found on page two. Before the Oil Conservation Division can approve your plugging bond you must be registered with the State Corporation Commission in Santa Fe.

Until such time as your bond is approved and the change of operator processed on the Stringer Oil and Gas wells you must continue to file a separate monthly operator's report, Form C-115, under Stringer Oil and Gas.

Please expedite this change as soon as possible.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District I

JS/ED/ed