STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

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

January 12, 1994

JFG Enterprise ATT: J.T. Jackson P O Box 100 Artesia, NM 88211-0100

RE: Transporting Crude NM State EM #1-I Sec. 2, T-14S, R-37E

Gentlemen:

We have received your letter dated Dec. 28, 1993 stating that I&W Transportation hauled 55 bbls of oil and 26 bbls of water from the NM State EM #1 to the NM State DD #2 tank battery. We will accept this letter as notification of this transaction. You do need to report this oil on your production report Form C-115.

If you have any questions on this matter, please call District I office in Hobbs NM (505) 393-6161.

Very truly your,

OIL CONSERVATION DIVISION

Verry Sexton District I, Supervisor

JS:dp

JG FRE