

OFFICE OF GENERAL COUNSEL

Oil and Gas Operators

This is sent as a courtesy to remind all oil and gas operators that it is a violation of state law to produce oil or gas from a severed lease.

Once a certificate of compliance (P-4) is cancelled for a lease, it is unlawful to produce any oil or gas from that lease until all compliance issues are resolved and a new certificate of compliance is issued for the lease. The great majority of oil and gas operators conduct their oil and gas operations in compliance with Commission regulations and state law but there are some who do not, which is unfair to the responsible operators.

Very recently, the Commission initiated enforcement actions against several operators around the state with multiple violations of producing from severed leases. More such enforcement actions will be taken in the near future. Such actions may subject the operators to significant administrative penalties. If you are an operator producing from a severed lease, it is in your best interest to immediately cease and desist until the severance is resolved and another certificate of compliance is issued for the lease.

Your cooperation in this matter is solicited and appreciated.

**Boyd Johnson
Director of Enforcement**