MAR 25 1993

CERTIFIED--RETURN RECEIPT REQUESTED P 864 873 076

Pogo Producing Company Attention: Richard L. Wright P. O. Box 10340 Midland, TX 79702

RE: Amax 24 Federal Well No. 11 NM-40655 492' FSL & 330' FWL, Sec. 24, T23S, R31E Eddy County, New Mexico

Dear Mr. Wright:

On August 25, 1992, Pogo Producing Company filed an Application for Permit to Drill (APD) for the Amax 24 Federal Well No. 11. The location was amended, February 23, 1993, by a Sundry Notice to the above referenced location. I am pleased to approve your APD at the present location. Your copy of the APD, with attached stipulations, is enclosed.

Through our analysis of the APD, we have determined that the well site is located a sufficient distance from the ore zones that potash resources should not be impacted.

If you need any additional information, please contact Tony Herrell in the Carlsbad Resource Area at (505) 887-6544.

Sincerely,

1sl Monte G. Jordan

For Larry L. Woodard State Director

1 Enclosure

bcc:

NM (910, L. Woodard) NM (920, R. Smith) NM (060, A. Lopez) NM (060, L. Cone) NM (067, T. Herrell)