

**COMMISSIONER'S OFFICE**

Phone (505) 827-5760

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**ADMINISTRATION**

Phone (505) 827-5700

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**GENERAL COUNSEL**

Phone (505) 827-5713

Fax (505) 827-4262

**PUBLIC AFFAIRS**

Phone (505) 827-1245

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**RECEIVED**

NOV 14 2002

**New Mexico State Land Office**  
**Commissioner of Public Lands**  
**Ray Powell, M.S., D.V.M.**

**COMMERCIAL RESOURCES**

Phone (505) 827-5724

Fax (505) 827-6157

**MINERAL RESOURCES**

Phone (505) 827-5744

Fax (505) 827-4739

**ROYALTY MANAGEMENT**

Phone (505) 827-5772

Fax (505) 827-4739

**SURFACE RESOURCES**

Phone (505) 827-5793

Fax (505) 827-5711

November 12, 2002

Pogo Producing Company  
P. O. Box 10340  
Midland, Texas 79702-7340

Attn: Ms. Cathy Tomberlin

Re: Pool/Lease Commingling and  
Off Lease Measurement and Sales of Gas Production  
Red Tank Gas Gathering CPD  
NW/4NE/4 Sec. 26-22S-32E  
Lea County, New Mexico

Dear Ms. Tomberlin:

We are in receipt of your letter of September 19, 2002 requesting our approval for pool/lease commingling, off-lease measurement and sales of gas production from the following leases and pools:

Covington A Federal	Delaware/Bone Spring
Federal 27	Delaware
Prize Federal	Delaware
Red Tank 23 Federal	Delaware
Red Tank 24 Federal	Delaware/Bone Spring
Red Tank 26 Federal	Delaware
Red Tank 28 Federal	Delaware
Red Tank 30	Delaware/Bone Spring
Red Tank 31	Delaware/Bone Spring
Red Tank 34 Federal	Delaware
Red Tank 35 Federal	Delaware
Calmon 30 State	Delaware
WBR Federal	Morrow
WBR Federal	Delaware/Bone Spring

It is our understanding that Pogo Producing Company will first meter then commingle the gas production from the above leases and sell the gas production at the Red Tank Gas Gathering CPD. The common sales meter for the above leases is located in the NW/4NW/4 of Section 26-22S-32E, Lea County, New Mexico.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management. Please submit a copy of the NMOCD's and BLM's approvals to this office.

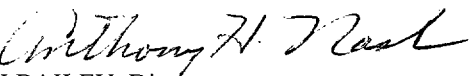
Pogo Producing Company  
November 12, 2002  
Page 2

Also, please submit a \$30.00 filing fee.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY:   
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744  
RP/JB/pm

pc: Reader File,  
OCD-Attention: David Catanach, Ben Stone,  
Debbie Padilla