



POGO PRODUCING COMPANY

April 8, 1996

Eunice Well Servicing Co.
P. O. Box 880
Eunice, New Mexico 88231
Attention: Mr. Rex Busby

Re: Wilson Prospect NM-565
Lea County, New Mexico
State "31" Well
NW/4 SE/4 Section 24, T-21-S, R-34-E, N.M.P.M.
State Lease B-10792
Pogo Lease NM-4465

Gentlemen:

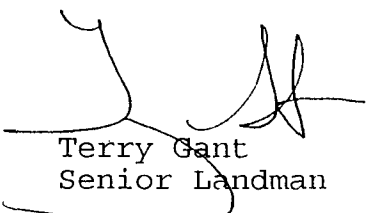
Reference is made to your letter dated April 2, 1995 with attachments thereto pertaining to the captioned well/lands/lease, and to Pogo's letter dated August 21, 1995 in response to your August 4, 1995 letter also pertaining to said well/lands/lease.

Pursuant to your request in connection with the New Mexico Oil Conservation Division's request to you, Pogo hereby advises that as the owner of the NE/4 SE/4 and S/2 SE/4 of said Section 24, it concurs and agrees with the NW/4 SE/4 of said Section 24 being designated as the subject well's drilling unit.

If you have any questions, please contact the undersigned.

Very truly yours,

POGO PRODUCING COMPANY


Terry Gant
Senior Landman

TG:lf/c:Eunice.762