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RECEIVED
JUL 17 1998
ARTESIA

July 17, 2000

Via Fax (748-9720) and U.S. Mail

Tim Gum
Supervisor
Oil Conservation Division
811 South First Street
Artesia, New Mexico 88210

Re: Pogo Producing Company
Lost Tank "35" State Well No. 14
330 feet FSL & 560 feet FWL
SW $\frac{1}{4}$ SW $\frac{1}{4}$ S35, Township 21 South, Range 31 East, NMPM
Eddy County, New Mexico

Dear Mr. Gum:

I represent Pogo Producing Company ("Pogo"). Enclosed is an APD for the above well, which is submitted for the Division's approval. (A C-102 is being prepared, and will be submitted to you tomorrow.)

The proposed well is within the oil-potash area, and the affected potash lessee is Mississippi Potash, Inc. ("MPI"). MPI originally objected to the location by letter dated March 2, 1998 (copy enclosed). However, Pogo and MPI have recently come to agreement regarding drilling of a Delaware oil well in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 35, under which MPI will waive objection to the above location. The final agreement has not been fully signed, so by copy of this letter to Charles C. High, Jr., attorney for MPI, Pogo requests a waiver of objection to this location.

Please call me if you need anything further with respect to the APD.

Very truly yours,


James Bruce

Attorney for Pogo Producing Company