



January 30, 2001

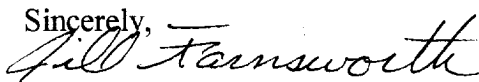
Oil Conservation Division  
811 S. 1<sup>st</sup> St.  
Artesia, NM 88210

Attention: Mr. Tim Gum, Supervisor

Re: Lost Tank "35" State #3 Well  
330 feet FSL & 2030 feet FWL  
Lost Tank "35" State #7 Well  
1650 feet FSL & 2030 feet FWL  
Lost Tank "35" State #8 Well  
1650 feet FSL & 610 feet FWL  
Sec 35, T-21-S, R-31-E  
Eddy County, New Mexico

Dear Mr. Gum:

Mississippi Potash, Inc. offers no objection to the proposed location for POGO Producing Company's Lost Tank "35" State Well No. 3, 7, and 8, based on the Settlement Agreement between Mississippi Potash, Inc., Yates Petroleum Company, and POGO Producing Company, effective June 16, 2000.

Sincerely,  
  
Jill Farnsworth  
Chief Mine Engineer

Cc: Ms. Lori Wrotenbery  
Director  
Oil Conservation Division  
2040 So. Pacheco  
Santa Fe, NM 87505

Mr. R. Scott McDaniel  
District Landman  
POGO Producing Company  
300 North Marienfeld, Suite 600  
Midland, TX 79702-7340

