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C.L.D.

APR 16 1993

3160(067)
NM-89051

CERTIFIED--RETURN RECEIPT REQUESTED
P 864 875 388

Mitchell Energy Corporation
Attention: George Mullen
P. O. Box 4000
The Woodlands, TX 77387-4000

RE: Apache "13" Federal Well No. 1
NM-89051
1330' FNL & 330' FEL, Sec. 13, T22S, R30E
Eddy County, New Mexico

Dear Mr. Mullen:

On December 3, 1992, Mitchell Energy Corporation filed an Application for Permit to Drill (APD). The APD was amended by Sundry Notice February 4, 1993, 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.

The APD was originally submitted to the Bureau of Land Management on July 9, 1992. At that time the location was denied due to potash considerations. We requested the location be moved to an area 0 to 330 feet FEL and 1320 to 3300 feet FNL. Wells drilled no deeper than the base of the Delaware Mountain Group would be allowed in this area. The new APD is located in that area, but is for a well deeper than the base of the Delaware Mountain Group. Through our analysis of the APD, the potash resources, and other related information we have determined that a well deeper than the base of the Delaware Mountain Group would not have a significant impact on potash reserves which are likely to be mined.

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

Sincerely,

/s/ Monte G. Jordan

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) ✓