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Ud. byse 11/17/42 pr. 1/11/92-

CERTIFIED--RETURN RECEIPT REQUESTED P 696 486 658

Bettis, Boyle & Stovall Attention: Steve Gray P.O. Box 1240 Graham, Texas 76450

Yucca Federal Well No. 2 RE:

NM-29234

1980' FNL & 660' FWL, Sec. 8, T24S, R31E

Eddy County, New Mexico

Dear Mr. Gray:

On September 23, 1992, Reed & Stevens, Inc. filed an Application for Permit to Drill (APD) at 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.

Through our analysis of the APD, we have determined that the well site is located a sufficient distance from the ore zones that potash resources should not be impacted.

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

sincerely,

Larry L. Woodard

Larry L. Woodard State Director

2 Enclosures

bcc:

NM (910, L. Woodard)

NM (920, R. Smith)

NM (060, L. Cone)

NM (060, A. Lopez) NM (067, T. Herrell)

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