



FROM : POGO-PRODUCING

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**POGO PRODUCING COMPANY**

November 2, 2000

EOG Resources, Inc.  
Attn: Larry D. Cunningham  
P.O. Box 2267  
Midland, Texas 79702

VIA FACSIMILE (915) 686-3773 AND  
CM FRR 7090 3220 0065 5521 0004

Re: Red Tank, SE Prospect  
Lea County, New Mexico  
Red Tank "23" Fed Com No 4 Well  
SE $\frac{1}{4}$  NE $\frac{1}{4}$  Section 23  
T-22-S, R-32-E, N.M.P.M.  
Pogo Lease L16

Gentlemen:

We have received your letters of September 29, 2000, and October 24, 2000, regarding your proposed Red Tank "23" Fed Com No 1 Well, to be located 1,980' FSL and 1,830' FEL of Section 23, T-22-S, R-32-E, N.M.P.M., Lea County, New Mexico, with the S $\frac{1}{2}$  of such section to be dedicated to the well. Pogo Producing Company ("Pogo") concurs that a well should be drilled in said Section 23. However, Pogo believes that the initial well in the section should be located in the NE $\frac{1}{4}$  and that the well unit should be the E $\frac{1}{2}$  of the section.

With the above in mind, enclosed is Pogo's AFE No 530193 for a 15,400' Morrow test well to be located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section 23, with an E $\frac{1}{2}$  unit. If you desire to participate in the well, please execute and return one copy of the AFE to us. We will forward you our proposed operating agreement by separate letter.

Should you have any questions regarding this matter, please do not hesitate to contact me at (915) 685-8121.

Very truly yours,

POGO PRODUCING COMPANY

  
R. Scott McDaniel  
District Landman

RSM/dkr

Enclosures

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300 ACRES LAND, SE 1/4

• FORT CHICKEN, NM

• MIDLAND, TEXAS 79701-7340

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