

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell Field Office 2909 West Second Street Roswell, New Mexico 88202

IN REPLY REFER TO 3162.4 NM-98188



307 25 300

Pogo Producing Company Attn: Richard Wright P. O. Box 10340 Midland, TX 79702-7340

Dear Mr. Wright:

Your Application for Permit to Drill (APD), approved June 19, 1997, along with the extension approved June 16, 1998, for the Lost Tank 28 Federal #4, located 330' FSL & 990' FWL, Section 28, T21S-R31E, Eddy County, New Mexico, Lease No. NM-98188 has expired because drilling has not commenced within one year of the approval date as stated in the General Requirements for Oil and Gas Operations on Federal Leases.

If drilling operations have commenced on the referenced well, please contact this office at (505) 627-0272 and send all necessary reports (spud, casing/cementing, etc., 1 original and 5 copies) so we may correct our records.

If the well has not been spudded, but site construction activities have occurred, please contact this office at the above telephone number for surface reclamation instructions.

If you wish to drill this well at a later date, please submit a complete application (I original and 5 copies). Since the original APD has expired, the resubmitted APD will be subject to all the processing requirements including the 30-day posting requirement. Please note on the resubmitted APD that it was previously approved and we will review the expired file for information which will help expedite the processing.

Sincerely,

/s/ Linda A. Askwig

Linda A. Askwig Legal Instruments Examiner

cc: BLM-I&E (CFO)
NMOCD (Artesia)
L Denniston (CFO)
J. Janica (Tierra Exploration)