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CERTIFIED--RETURN RECEIPT REQUESTED P 319 323 855

Read & Stevens, Inc. Attention: George R. Smith P.O. Box 1518 Roswell, NM 88202

RE: North Lea Federal Well No. 9 NM-56264 1800' FNL & 990' FEL, Sec. 10, T20S, R34E Lea County, New Mexico

Dear Mr. Smith:

On September 15, 1992, Read & 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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