

Mail Stop 4561

October 9, 2008

VIA U.S. MAIL AND FAX (858) 456-6480

Maxim C. W. Webb
Chief Financial Officer
PICO Holdings, Inc.
875 Prospect Street
Suite 301
La Jolla, CA 92037

**Re: PICO Holdings, Inc.
Form 10-K for Fiscal Year Ended
December 31, 2007
Filed February 29, 2008
Form 10-Q for Quarterly Period Ended
March 31, 2008
Filed May 9, 2008
Definitive Proxy Statement
Filed March 19, 2008
File No. 033-36383**

Dear Mr. Webb:

We have completed our review of your Form 10-K and related filings and do not, at this time, have any further comments.

Sincerely,

Robert Telewicz
Senior Staff Accountant