

OCD-ARTESIA

SUBMIT IN TYPE DATE
(Other instructions on
reverse side)

AS-07-010
EA-07-1005
Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

11-58

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

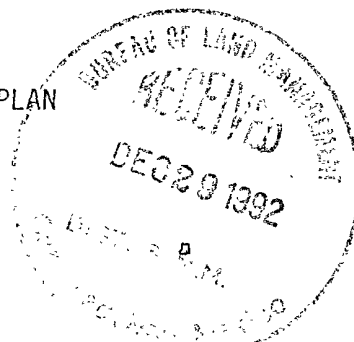
1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-40659	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR POGO PRODUCING COMPANY		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P.O. BOX 10340, MIDLAND, TEXAS 79702		8. FARM OR LEASE NAME PURE GOLD "D"	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1980' FNL AND 2310' FEL OF SECTION 28 At proposed prod. zone CARLSBAD CONTROLLED WATER BASIN		9. WELL NO. 10	
14. DISTANCE IN MILES AND DIRECTION 18 MILES EAST OF LOVING, NEW MEXICO		10. FIELD AND POOL, OR WILDCAT UNDESIGNATED DELAWARE	
10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		11. SEC. T., R., M., OR BLK. AND SURVEY OR AREA SEC. 28, T. 23 S., R. 31 E.	
16. NO. OF ACRES IN LEASE 640		12. COUNTY OR PARISH EDDY COUNTY	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1240'		13. STATE NEW MEXICO	
20. ROTARY OR CABLE TOOLS ROTARY		17. NO. OF ACRES ASSIGNED TO THIS WELL 40	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3357.9' GR		22. APPROX. DATE WORK WILL START* UPON APPROVAL	

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	54.5#	550' CDA	SUFFICIENT TO CIRCULATE
11"	8-5/8"	24# & 32#	4100'	SUFFICIENT TO CIRCULATE
7-7/8"	5-1/2"	15.5# & 17#	8300'	SUFFICIENT TO CIRCULATE

AFTER SETTING PRODUCTION CASING, PAY ZONE WILL BE PERFORATED AND STIMULATED AS NECESSARY.

SEE ATTACHED FOR: SUPPLEMENTAL DRILLING DATA
BOP SKETCH
SURFACE USE AND OPERATIONS PLAN

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Richard L. Wright TITLE Division Operations Supr. DATE December 23, 1992
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY Rene C Berkhardt TITLE Acting STATE DIRECTOR DATE 9-6-07
CONDITIONS OF APPROVAL, IF ANY:

SEE ATTACHED FOR APPROVAL FOR TWO YEARS
CONDITIONS OF APPROVAL *See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-01535799	Pool Code 53815	Pool Name Sand Dunes; Delaware, West
Property Code 36735	Property Name PURE GOLD D	Well Number 10
OGRID No. 233194	Operator Name POGO PRODUCING COMPANY	Elevation 3360'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	28	23-S	31-E		1980	NORTH	2310	EAST	EDDY

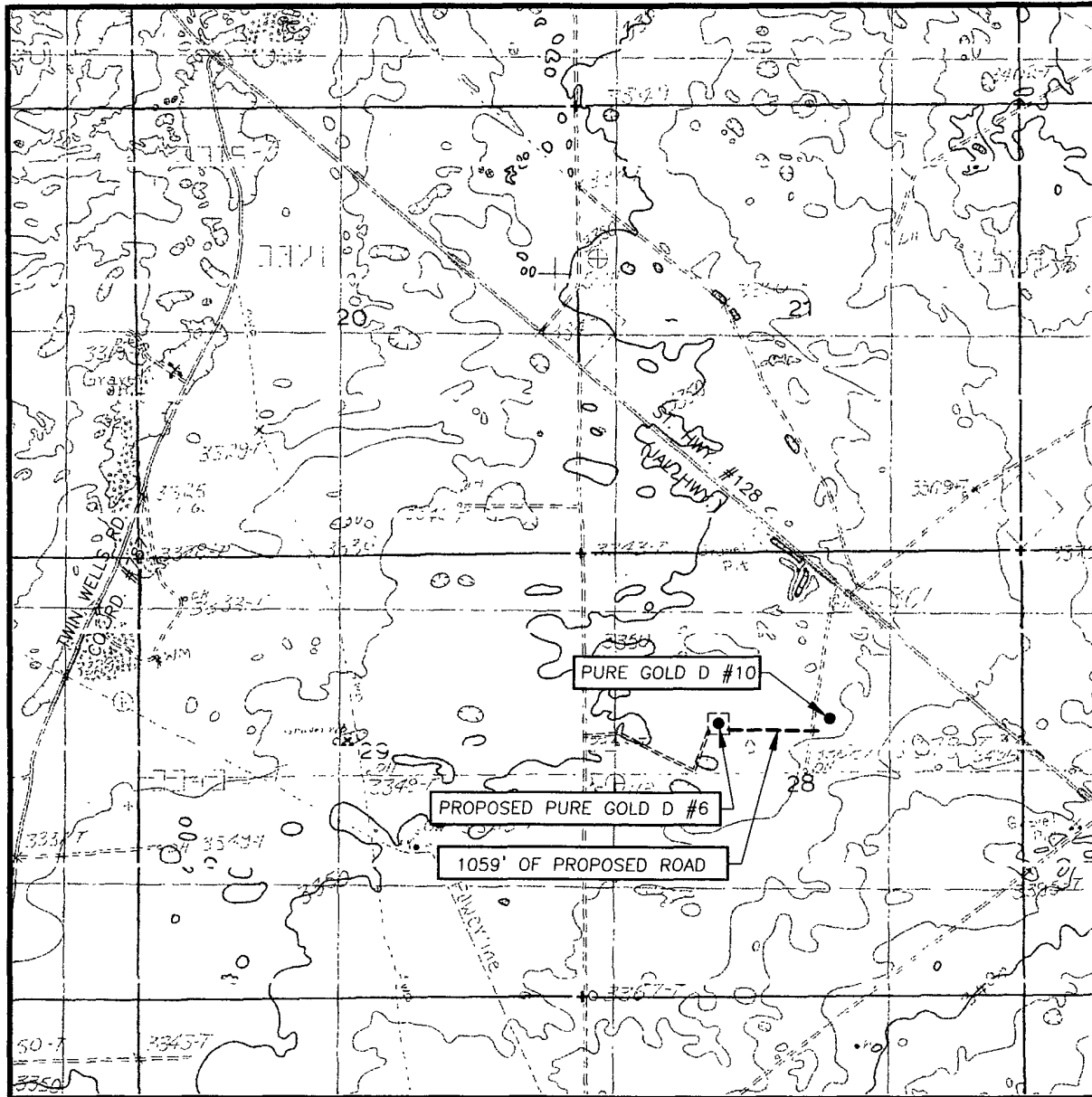
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
40									
Dedicated Acres		Joint or Infill		Consolidation Code		Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=464976.3 N X=670643.0 E</p> <p>LAT = 32.277130° N LONG. = 103.781199° W</p>	<p>1980'</p> <p>3361.4'</p> <p>3362.8'</p> <p>600'</p> <p>600'</p> <p>3363.1'</p> <p>3367.1'</p> <p>2310'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>[Signature]</i> 12/12/07 Signature Date</p> <p>R. Scott McDaniel Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>RONALD J. EIDSON Date Surveyed Signature & Seal of Professional Surveyor 5/16/07 Professional Surveyor</p> <p>Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239</p>
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LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
LOS MEDANOS, N.M. - 10'

SEC. 28 TWP. 23-S RGE. 31-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

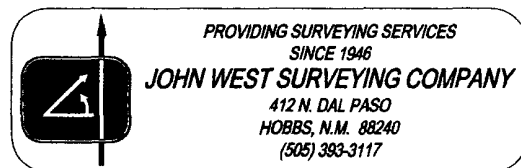
DESCRIPTION 1980' FNL & 2310' FEL

ELEVATION 3360'

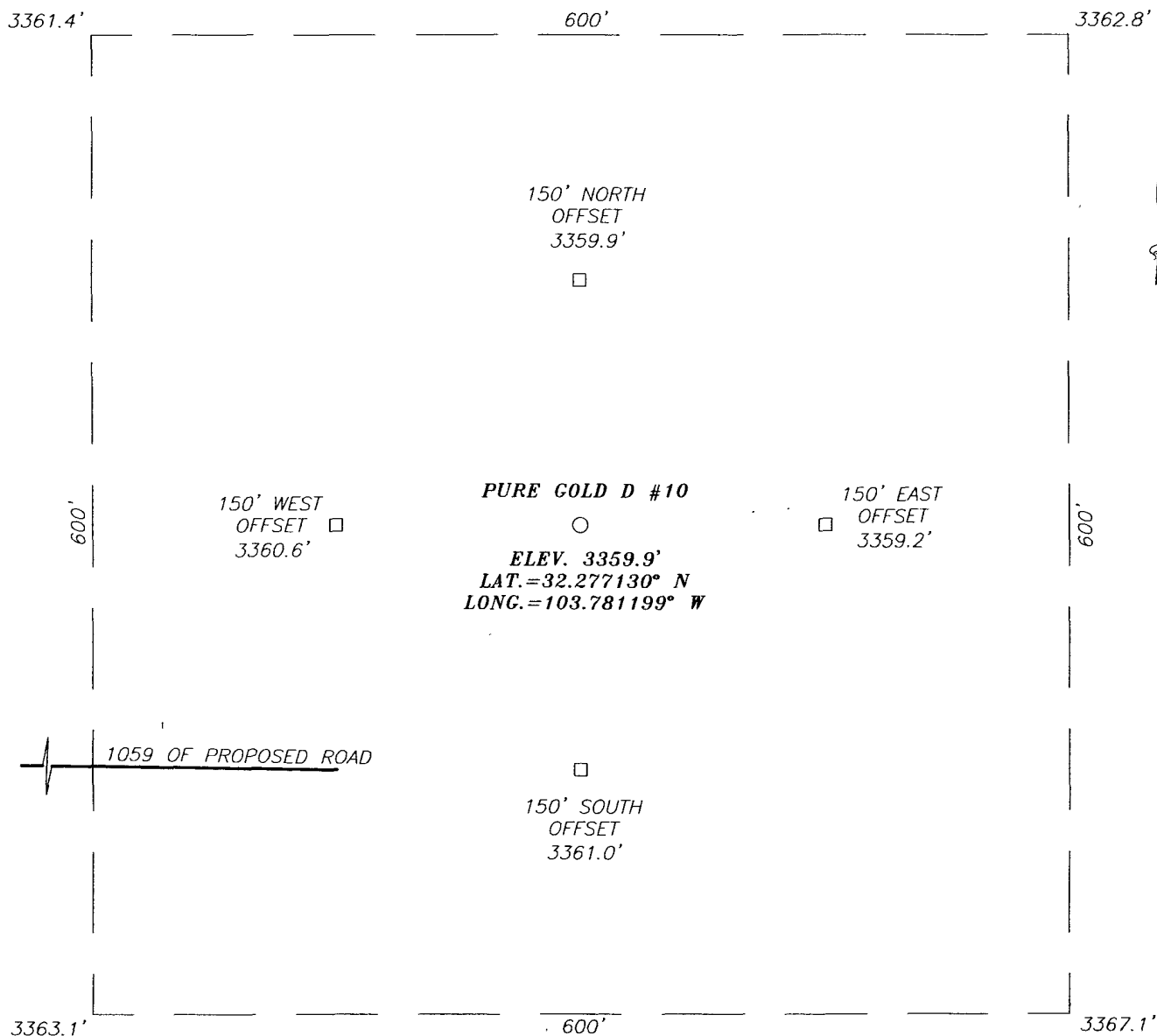
OPERATOR POGO
PRODUCING COMPANY

LEASE PURE GOLD D

U.S.G.S. TOPOGRAPHIC MAP
LOS MEDANOS, N.M.

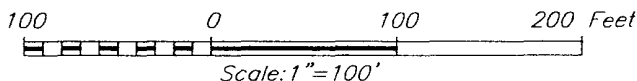


SECTION 28, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. #128 AND CO. RD. #787 (TWIN WELLS) GO SOUTHEAST ON ST. HWY. #128 APPROX. 1.1 MILES. TURN RIGHT AND GO SOUTH APPROX. 0.9 MILES. TURN LEFT AND GO EAST APPROX. 0.1 MILE. TURN RIGHT AND GO SOUTHEAST APPROX. 0.2 MILES. TURN LEFT AND GO NORTH APPROX. 0.1 MILE TO THE EXISTING PURE GOLD D #6 WELL PAD AND A PROPOSED ROAD SURVEY. FOLLOW ROAD SURVEY EAST APPROX. 1215 FEET TO THIS LOCATION.



PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 393-3117

POGO PRODUCING COMPANY

PURE GOLD D #10
 LOCATED 1980 FEET FROM THE NORTH LINE
 AND 2310 FEET FROM THE EAST LINE OF SECTION 28,
 TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

Survey Date: 5/4/07	Sheet 1 of 1 Sheets
W.O. Number: 07.11.0588	Dr By: LA
Date: 5/15/07	Disk: CD#6
07110588	Scale: 1"=100'

SUPPLEMENTAL DRILLING DATA

POGO PRODUCING COMPANY

PURE GOLD "D" WELL NO.10

1. SURFACE FORMATION: Quaternary

2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Anhydrite	550'
Delaware	4100'
Cherry Canyon	5000'
Brushy Canyon	6300'

3. ANTICIPATED POSSIBLE HYDROCARBON BEARING ZONES:

Brushy Canyon Oil

4. PROPOSED CASING AND CEMENTING PROGRAM:

CASING SIZE	SETTING DEPTH		WEIGHT	GRADE	JOINT
	FROM	TO			
13-3/8"	0	550'	54.5 #	J-55	STC
8-5/8"	0	1000'	32#	J-55	STC
"	1000'	2200'	24#	J-55	STC
"	2200'	4100'	32#	J-55	STC
5-1/2"	0	1000'	17#	J-55	LTC
"	1000'	6000'	15.5#	J-55	LTC
"	6000'	8300'	17#	N-80	LTC

MINIMUM

DESIGN FACTORS: COLLAPSE 1.125 BURST 1.1 TENSION 1.7

13-3/8" casing to be cemented with 300 sacks of Light cement tailed in with 200 sacks of Class "C" cement with 2% CaCl. Cement to circulate.

8-5/8" casing to be cemented with 1000 sacks of Light cement with 10% salt, tailed in with 200 sacks of Class "C" cement with 1% CaCl. Cement to circulate.

5-1/2" casing to be cemented with approximately 500 sacks of Light cement followed by 700 sacks of Class "H" with the top of the Class "H"

calculated to be at or above the shoe of the intermediate casing. If need for a stage tool is indicated, it will be positioned to best suit hole conditions at the time casing is run. Cement to circulate.

Cement may have lost circulation or other additives, depending on hole conditions when casing is run.

5. PRESSURE CONTROL EQUIPMENT:

Blowout prevention equipment, while drilling the 11" hole, will be either a 3000 psi working pressure double ram type preventer or a 3000 psi working pressure annular type preventer.

Blow out prevention equipment, while drilling below the 8-5/8" casing seat, will be a 3000 psi working pressure BOP stack. A BOP sketch is attached.

6. CIRCULATING MEDIUM:

Surface to 550 feet: Fresh water spud mud. Viscosity 30 to 36 as required for hole cleaning.

See COA → 550 feet to 4100 feet: Brine conditioned as necessary for control of viscosity. Weight 9.5 to 10. pH 9 to 10. Viscosity 32 to 36.

4100 feet to T.D.: Water base drilling fluid conditioned as necessary for control of weight, viscosity, pH, and water-loss. Weight 9 to 10. Viscosity 38 to 45. pH 9 to 10. Filtrate while drilling pay zone 6 to 15.

7. AUXILIARY EQUIPMENT:

A mud logging trailer will be in use while drilling below the intermediate casing.

8. TESTING, LOGGING, AND CORING PROGRAMS:

Drill stem tests will be made when well data indicate a test is warranted.

It is planned that electric logs will include GR-CNL-Density logs and GR-DLL logs.

No coring is planned.

9. ABNORMAL PRESSURES, TEMPERATURES, OR HYDROGEN SULFIDE GAS:

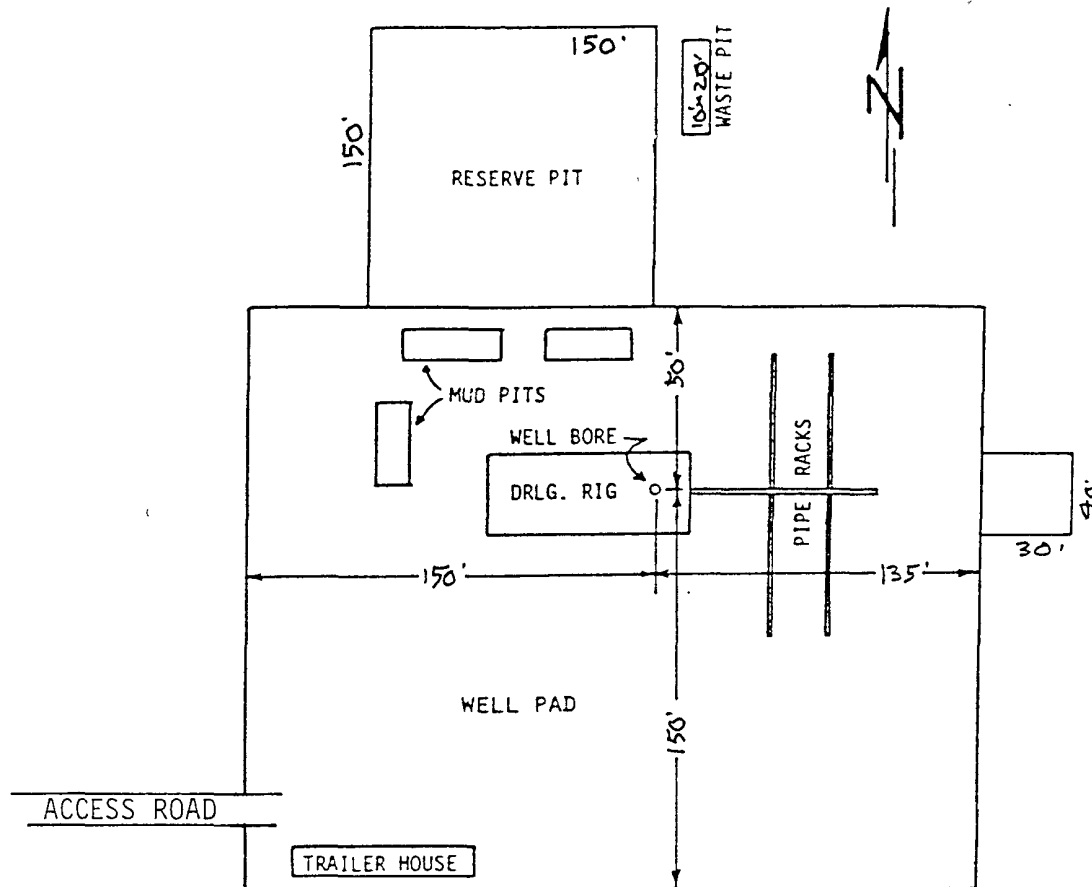
None anticipated.

Expected bottom hole pressure is approximately 3500 psi.

Expected bottom hole temperature is approximately 125 degrees Fahr.

10. ANTICIPATED STARTING DATE:

It is planned that operations will commence upon approval of this application, with drilling and completion operations lasting about 30 days.

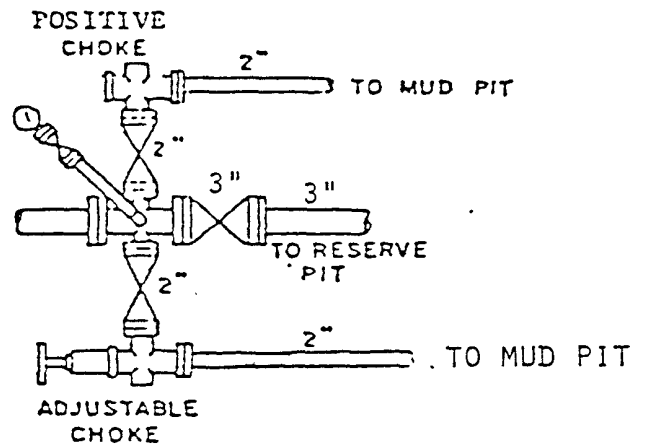
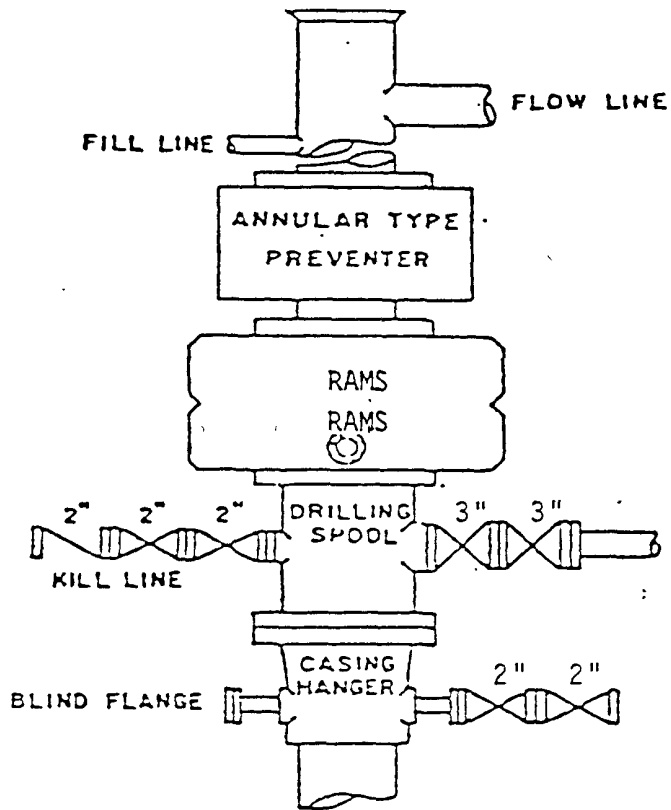


*Pite North
V-Door East*

EXHIBIT "C"

POGO PRODUCING COMPANY
PURE GOLD "D" WELL NO.10

DRILLING RIG LAYOUT
SCALE: None



BOP STACK

3000 PSI WORKING PRESSURE

BOP ARRANGEMENT

SURFACE USE AND OPERATIONS PLAN

FOR

POGO PRODUCING COMPANY
PURE GOLD "D" WELL NO.10
1980' FNL & 2310' FEL SEC.28, T.23 S., R.31 E.
EDDY COUNTY, NEW MEXICO

LOCATED: 18 miles east of Loving, New Mexico.

FEDERAL LEASE NUMBER: NM-40659.

LEASE DATE: July 1, 1980. Lease is in producing status.

ACRES IN LEASE: 640.

LESSEE: Pogo Producing Company.

SURFACE OWNERSHIP: Federal.

GRAZING PERMITTEE: J. C. Mills
P. O. Box 190
Abernathy, Texas 79311

POOL: Undesignated Delaware.

POOL RULES: Statewide Rules. 40 acre spacing for oil.

EXHIBITS: A. Road Map
B. Plat Showing Existing Wells and Existing Roads
C. Drilling Rig Layout
D. Topo Plat

1. EXISTING ROADS:

A. Exhibit "A" is a portion of a road map showing the location of the proposed well as staked. Point "A" on the plat is on State highway 128 at Milepost 13.7, approximately 21 road miles east of Loving, New Mexico, where a caliche road goes south. To go to the proposed well site from this point, exit 128 and go south 0.8 mile and the proposed well site will be on the east side of the road at a distance of 3000 feet. Also see Exhibits "B" and "D".

B. Exhibit "B" shows existing pertinent roads in the vicinity of the proposed well site. Existing roads are color coded.

2. PLANNED ACCESS ROAD:

A. Length and Width: The access road will be 12 feet wide and about 2600 feet long as indicated on Exhibit "B". The access road will utilize about 900 feet of existing ripped caliche road, which will be restored, and about 1700 feet of new road to be constructed as shown color coded red on Exhibit "B". The centerline of the proposed new road is staked and flagged.

B. Surfacing Material: Caliche. Watered, compacted, and graded.

C. Maximum Grade: One percent.

D. Road Turnouts: Probably one.

E. Drainage Design: The new road will be crowned with drainage to the side.

F. Culverts: None needed.

G. Cuts and Fills: None necessary.

H. Gates and Cattle Guards: A cattle guard will be re-installed where the ripped caliche road goes through the existing fence.

3. LOCATION OF EXISTING WELLS:

A. Existing wells in the immediate area are shown on Exhibit "B".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A. Production from the well will be delivered to the lease tank battery

planned for construction on the well pad at well No. 9. The flow line will be 3" SDR-7 polyethylene pipe laid on the ground alongside the planned well No. 9 access road, and will extend from the well to the planned tank battery as shown on Exhibit "B". Anticipated flow line pressure is about 60 psi.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. It is not planned that a water well will be drilled. Water necessary for drilling operations will be purchased and trucked to the well site, or will be moved to the well site by temporary pipeline laid on the ground alongside existing and proposed roads.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. Caliche needed for construction work will be taken, if present, from a pit opened on-site within the 400' x 450' archaeologically cleared work area adjacent to the reserve pit. Otherwise, caliche will be taken from the existing pit on Federal land in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4, T.24 S., R.31 E., Eddy County, New Mexico, and will be trucked to the well site over existing and proposed roads.

7. METHODS OF HANDLING WASTE MATERIAL:

A. Drill cuttings will be disposed of in the drilling pits.

B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.

C. Water produced during tests will be disposed of in the drilling pits or will be stored in tanks for disposal in an approved disposal system.

D. Oil produced during tests will be stored in test tanks until sold.

E. All trash, junk, and other waste material will be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary land fill.

8. ANCILLARY FACILITIES:

A. None necessary.

9. WELL SITE LAYOUT:

A. Exhibit "C" shows the relative location and dimensions of the well pad, mud pits, and reserve pits, and the location of major drilling rig components.

B. Clearing and levelling of the pad and pit area will be required.

C. The pad and pit area is staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE:

A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed from the well site. Pits will be filled and the location will be cleaned of all trash and junk to leave the well site in an as aesthetically pleasing condition as possible.

B. Any unguarded pits containing fluids will be fenced.

C. After abandonment, all equipment, trash, and junk will be removed and the well site will be cleaned. Any special rehabilitation requirements of the surface management agency will be complied with and accomplished as rapidly as possible.

11. OTHER INFORMATION:

A. Topography: The land surface in the general area is gently undulating and dunny. In the immediate area of the well site the land surface slopes gently to the north. Regionally, drainage is to the west and southwest.

B. Soil: Top soil at the well site is sand.

C. Flora and Fauna: The vegetative cover is moderate and includes mesquite, shinnery oak, sand sage, yucca, weeds, and range grasses. Wildlife in the area is that typical of semi-desert land and includes coyotes, rabbits, rodents, reptiles, dove and quail.

D. Ponds and Streams: There are no rivers, lakes, ponds, or streams in the area.

E. Residences and Other Structures: There are no occupied dwellings or other structures within a mile of the proposed well site.

F. Archaeological, Historical, and Cultural Sites: None observed. However, an archaeological reconnaissance is to be accomplished and a report furnished.

G. Land Use: Grazing and wildlife habitat.

H. Surface Ownership: Federal.

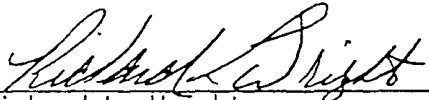
12. OPERATOR's REPRESENTATIVE:

Richard L. Wright
Division Operations Supervisor
Pogo Producing Company
P. O. Box 10340
Midland, Texas 79702
Office Phone: 915-682-6822

13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Pogo Producing Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

December 22, 1992
Date:



Richard L. Wright
Division Operations Supervisor

CONDITIONS OF APPROVAL - DRILLING

Operator's Name: POGO Producing Company
Well Name & No. 10-Pure Gold "D"
Location: 1980' FNL, 2310' FEL, Sec. 28, T-23-S, R-31-E, Eddy County, NM
Lease: NM-40659

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I. DRILLING OPERATIONS REQUIREMENTS:

- A. The Bureau of Land Management (BLM) is to be notified a minimum of 4 hours in advance for a representative to witness:
1. Spudding well
 2. Setting and/or Cementing of all casing strings
 3. BOPE tests
- Eddy County call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822
- B. **Although Hydrogen Sulfide is not reported, it is always a potential hazard.**
- C. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
- D. If floor controls are required, (3M or Greater) controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- E. Gamma-Ray/Neutron logs shall be run from the base of the Salado formation to the surface. The logs shall be run at a speed which allows the logs to be legible and no faster than manufactures of the logging tools recommended speed. (R-111-P area only)

II. CASING: NB! Casing depth for surface casing based on Geological Report by BLM geologist.

- A. The 13-3/8 inch surface casing shall be set a minimum of 25 feet into the Rustler Anhydrite and above the salt at approximately 760 feet and cemented to the surface. **Fresh water mud to be used to setting depth of surface casing.**
1. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
 2. Wait on cement (WOC) time for a primary cement job will be a minimum of **24 hours in the potash area**, or 500 pounds compression strength, whichever is greater. (This is to include the lead cement)
 3. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compression strength, whichever is greater.
 4. If cement falls back, remedial action will be done prior to drilling out that string.

Possible lost circulation in the Delaware and Bone Spring formations.

Possible water flows in the Salado, Castile, Delaware, and Bone Spring formations.

- B.** The minimum required fill of cement behind the 8-5/8 inch intermediate casing is **cement shall circulate to surface**. If cement does not circulate see A.1 thru 4.
- C.** The minimum required fill of cement behind the 5-1/2 inch production casing is **cement shall circulate to surface**.
- D.** If hardband drill pipe is rotated inside casing; returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool I joints of the drill pipe will be installed prior to continuing drilling operations.
- E.** Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

III. PRESSURE CONTROL:

- A.** All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2.
- B.** Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M) PSI**.
- C.** Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 8-5/8 intermediate casing shoe shall be **3000 (3M) PSI**.
- D.** The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - 1. The tests shall be done by an independent service company.
 - 2. The results of the test shall be reported to the appropriate BLM office.
 - 3. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - 4. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi in accordance with API RP 53 Sec. 17. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.

IV. DRILL STEM TEST:

If a drill stem test is performed, the conditions of Onshore Order 2.III.D must be met.

Engineer on call phone (after hours): 505-706-2779

WWI 061807