# Other instructions on UNITED STATES OF THE INTERIOR

PUKM APPKOVED

)	Dist.	OMB	NO. I	004-4	0136
/		pires:	Febru	1ry 21	3, 199
	5. LEAS	E DBBIGN	KOITA	AND	SERL

	BUREAU O	F LAND MANAGEM	IENTOU ! V	/. Gran	CAV	enue <sub>NM-11038</sub>
APPL	ICATION FOR					TOP INDIAN, ALLOTTER OR TRIBE NAME
a. TIPE OF WORK	RILL 🛆	DEEPEN 🗌				7. UNIT AGREEMENT NAME
OIL X NAME OF OPERATOR	GAS OTHER		BINGLE X	m ultiple Zone		8. FARM OR LEASE NAME WELL NO.  CIMARRON "23" FEDERAL # 2
POGO PRODUCI		(RICHARD WR	IGHT 915-6	85-8140)		9. AN WELLING.
	40 MIDLAND, TEX		•			30 - 015 - 33249 10. FIELD AND POOL, OR WILDCAT
At surface	Report location clearly an				-	BRUSHY DRAW-DELAWARE
·1750' FSL & At proposed prod. 20	1980' FEL SECT	ION 23 T26S-R29	E EDDY CO.	1120214		SECTION 23 T26S-R29E
. DISTANCE IN MILES	AND DIRECTION FROM NE	AREST TOWN OR POST OF	ricz*	FEB 1 8		12. COUNTY OR PARISH   13. STATE
Approximate	ly 16 miles Sou	theast of Malag	a New Mexi	OCD-ART	ESIA	EDDY CO. NEW MEXICO
DISTANCE FROM PROI LOCATION TO NEARE: PROPERTY OR LEASE (Also to nearest dr	ST 1	750'   16.	NO. OF ACRES IN	LEASE		OF ACRES ABSIGNED HIS WELL 40
DISTANCE FROM PRO TO NEAREST WELL, OR APPLIED FOR, ON TO	DRILLING, COMPLETED.	400'	5500'			TARY
ELEVATIONS (Show w.	bether DF, RT, GR, etc.)	2921' GR.				22. APPROX. DATE WORK WILL START* WHEN APPROVED
		PROPOSED CASING A	ND CEMENTING	PROGRAM	(	CARLSBAD CONTROLLED WATER B
SIZE OF ROLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING			QUANTITY OF CEMENT
25''	Conductor	NA		WITNESS	ement	to surface with Redi-mix.
12½"	J-55 8 5/8"	32	600'			. circulate to surface
7 7/8"	J-55 5½"	15.5	5500'	1.	500 S	x. 3 stages TOC surface.
		<del> </del>				
	<b></b>	<u> </u>				
Redi-mi 2. Drill 1	x. 2½" hole to 600 5 Sx. of Class '	'. Run and set	600' of 8	5/8" 32 <i>#</i>	J-55	ent to surface with  ST&C casing. Cement Circulate cement to
in 3 st cement	ages, DV Tools of additives, certain 3rd stage with	at 4000' & 2000 ment 2nd stage 500 Sx. of Clas	o't. Cement with 600 S ss "C" ceme	lst sta x. of Cl nt + add	ge wi ass " itive	-55 ST&C casing. Cement th 400 Sx. of Class "C" C" cement + additives, es, circulate cement to
ABOVE SPACE DESCRIE		proposal is to deepen, give d	ata on present produ tical depths. Give bl	owout preventer	proposed program, i	
	e et a	11/2	APPRO	VAL SUF	JEC HIRE	T TO MENTS 12/04/03

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Is/	Joe	G	Lara
11/12/	400	v.	Laid

(This space for Federal or State office use)

ATTACHED APPROVAL DATE

1 2 FEB 2004

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 DISTRICT II 811 South First, Artesia, NM 88210

## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies
Fee Lease - 3 Copies

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

DISTRICT IV 2040 South Pacheco, Santa Fe. NM 87505

#### OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, New Mexico 87504-2088

D AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code Pool Nam			
	8080	BRUSHY DRAW-DELAWARE		
Property Code	Pro	Well Number		
	CIMARRON	"23" FEDERAL	2	
OGRID No.	Operator Name		Elevation	
17891	POGO PRODUCING COMPANY		2921'	
			<del></del>	

#### Surface Location

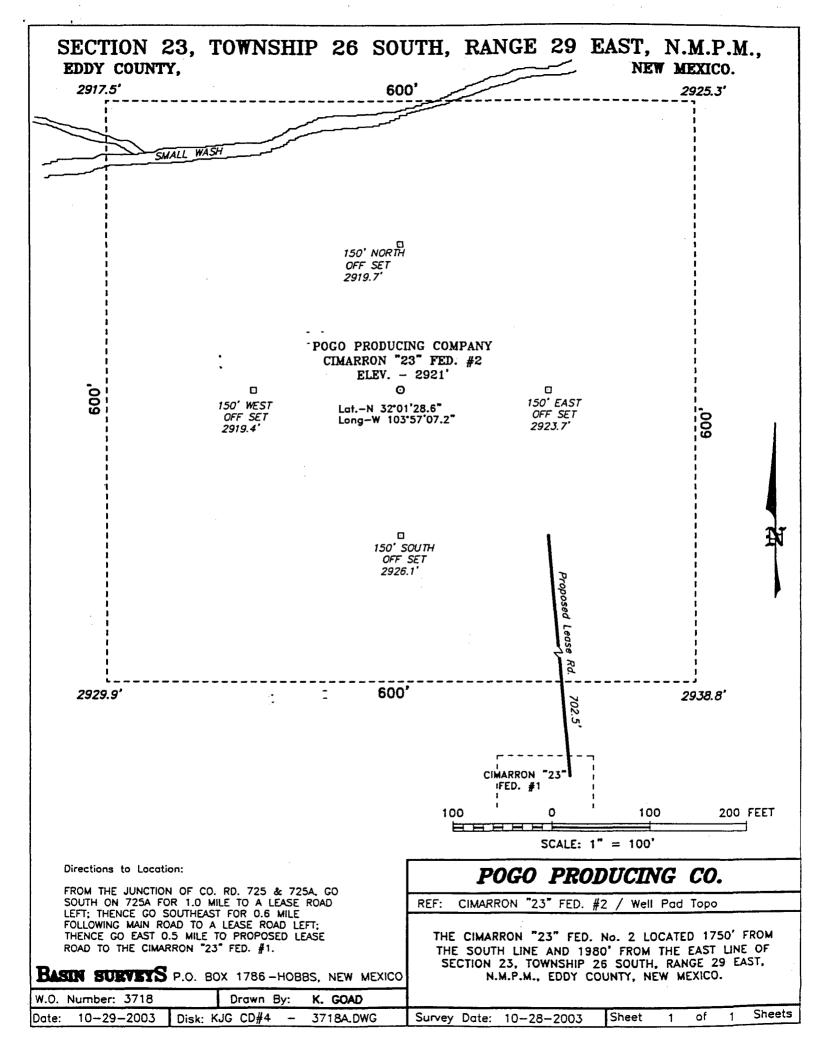
1	UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
ı	J	23	26 S	29 E	- •	1750	SOUTH	1980	EAST	EDDY

## 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
Dedicated Acres	Joint o	r Infill Co	nsolidation	Code Ord	ier 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

 · <del></del>			<del></del>
			OPERATOR CERTIFICATION  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature  Joe T. Janica  Printed Name  Agent  Title  12/04/03  Date
Lat.: N32"01'28.6" Long.: W103"57'07.2"	2917.5' 2925.3'	1980°	SURVEYOR CERTIFICATION  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 supervison and that the same is true and correct to the best by my belief.  OCTOBER 28, 2003.  Date Surveyed Signature & Seal of Professional Surveyor  Certificate No. Gary L. Jones 7977  BASIN SURVEYS



#### APPLICATION TO DRILL

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL #2
UNIT "J" SECTION 23
T26S-R29E EDDY CO. NM

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is provided for your consideration.

- 1. Location of well: 1750' FSL & 1980' FEL SECTION 23 T26S-R29E EDDY CO. NM
- 2. Ground Elevation above Seaglevel: 2921' GR.
- 3. Geological age of surface formation: Quaternary Deposits:
- 4. <u>Drilling tools and associated equipment:</u> Conventional rotary drilling rig using drilling mud as a circulating medium to remove solids from hole.
- 5. Proposed drilling depth: 5500'
- 6. Estimated tops of geological markers:

Base of salt	2800'	Bell Canyon	3080'
<b>∵</b>	•		
Dealware Lime	2990 <b>'</b> .	Brushy canyon	5200'

## 7. Possible mineral bearing formations:

Brushy Canyon

Oil

#### --- 8. Casing Program:

Hole Size	Intervál	OD of Casing	Weight	Thread	Collar	Grade
25"	0-40'	20"	NA	NA	NA	Conductor
12½"	0-600'	8 5/8"	32	8-R	ST&C	J-55
7 7/8"	0-5500'	5½" .	15.5	8-R	ST&C	J-55

#### APPLICATION TO DRILL

POGO PRODUCING COMPANY CIMARRON "23" FEDERAL #2 UNIT "J" SECTION 23 T26S-R29E EDDY CO. NM

#### 9. CASING CEMENTING & SETTING DEPTHS:

20"	Conductor	Set 40' of 20" conductor and cement to surface with Redi-mix.
8 5/8"	Surface	Set 600' of 8 5/8" $32\#$ J-55 ST&C casing. Cement with 655 Sx. of Class "C" cement + $2\%$ CaCl, + $\frac{1}{2}\#$ Flocele/Sx., circulate cement to surface.
5½"	Production	Set 5500' of 5½" 15.5# J-55 ST&C casing. Cement 3 stages, DV Tools at 4000' & 2000'. Cement 1st stage with 400 Sx. of Class "C" cement + additives. cement 2nd stage with 600 Sx. of Class "C" cement + additive cement 3rd stage with 500 Sx. of Class "C" cement + additives, circulate cement to surface.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" shows a 2000 PSI working pressure B.O.P. stack with a Rotating Packoff in leiu of the annular preventor. Pressure no greater than 1100 PSI is anticipated, as other wells drilled in this area have not encountered any pressures that would cause any problems, A Capstar drilling rig will drill this hole and the sub-structure will not accomodate an annular preventor. The B.O.P. will be nippled up on the 8 5/8" casing and tested to API specifications. The B.P.O. will be operated at least once each 24 hour period, and blond rams will be operated when drill pipe is out of hole on trips. Full opening stabbing valve and upper kelly cock will avalible in case of need. Exhibit "E-1" shows a hydraucally operated closing unit and a 2" 2000 PSI choke manifold with adjustiable chokes. No abnormal pressures or temperatures are expected in this area.

#### 11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISC.	FLUID LOS	S TYPE MUD SYSTEM
40-600°	8.4-8.7	29–34	NC	Fresh water spud mud use paper to control seepage and high viscosity sweeps to clean hole.
600-5500'	10.0-10.1	29–38	NC*	Brine water use paper to to control seepage and high viscosity sweeps clean hole.

<sup>\*</sup> In case water loss is required to run logs and/or casing use starch to control water loss.

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, or unexpected kicks. In order to run DST's, open hole logs, and casing, the viscosity and water loss may have to be adjusted to meet these needs.

## APPLICATION TO DRILL

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL #2
UNIT "J" SECTION 23
T26S-R29E EDDY CO. NM

## 12. LOGGING, CORING, AND TESTING PROGRAM:

- A. Open hole logs: Dual Laterolog, CNL, LDT, Gamma Ray, Caliper from TD back to 8 5/8" casing shoe.
- B. Run Gamma Ray, Neutron from 8 5/8" casing shoe back to surface.
- C. Mud logger may be used at the discretion of the Geologist, no cores or DST's are planned at this time.

## 13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. There is no known presence of  ${\rm H}^2{\rm S}$  in this area. If  ${\rm H}^2{\rm S}$  is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 1100 PSI, and Estimated BHT 145°.

#### 14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operation and drilling is expected to take 8 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flowlines in order to place well on production.

## 15. OTHER FACETS OF OPERATIONS:

After running casing, cased hole Gamma Ray, Neutron Collar logs will be run from TD back to all possible productive zones. The Brushy Canyon formation will be perforated and stimulated in order to establish production. The well will be swab tested and potentialed as an oil well.

#### HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

- 1. All Company and Contract personnel admitted on location must be trained by a qualified H<sub>2</sub>S safety instructor to the following:
  - A. Characteristics of H<sub>2</sub>S
  - B. Physical effects and hazzards
  - C. Proper use of safety equipment and life support systems.
  - D. Principle and operation of H2S detectors, warning system and briefing areas.
  - E. Evacuation procedure, routes and first aid.
  - F. Proper use of 30 minute pressure demand air pack.
- 2. H<sub>2</sub>S Detection and Alarm Systems
  - A. H<sub>2</sub>S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.
- 3. Windsock and/or wind streamers
  - A. Windsock at mudpit area should be high enough to be visible.
  - B. Windsock at briefing area should be high enough to be visible.
  - C. There should be a windsock at entrance to location.
- 4. Condition Flags and Signs
  - A. Warning sign on access road to location.
  - B. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H2S present in dangerous concentration. Only emergency personnel admitted to location.
- 5. Well control equipment
  - A. See exhibit "E" & "E-1"
- 6. Communication
  - A. While working under masks chalkboards will be used for communication.
  - B. Hand signals will be used where chalk board is inappropriate.
  - C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephoned will be available at most drilling foreman's trailer or living quarters.
- 7. Drillstem Testing
  - A. Exhausts will be watered.
  - B. Flare line will be equipped with an electric ignitor or a propane pilot light in case gas reaches the surface.
  - C. If the location is near to a dwelling a closed DST will be performed.

- 8. Drilling contractor supervisor will be required to be familiar with the effects H2S has on tubular goods and other mechanical equipment.
- 9. If  $H_2S$  is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas seperator will be brought into service along with  $H_2S$  scavengers if necessary.

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL #2
UNIT "J" SECTION 23
T26S-R29E EDDY CO. NM

- 1. EXISTING ROADS & PROPOSED ROADS: Area maps; Exhibit "B" is a reproduction of a County General Hi-way Map. Exhibit "C" is a reproduction of a USGS Topographic Map, showing existing and proposed roads. All existing roads will be maintained in a condition equal to or better than current conditions. Any new roads will be constructed to BLM specifications.
  - A. Exhibit "A" shows the proposed well site as staked.
  - B. From Malaga New Mexico take U.S Hi-way 285 South for 12.6 miles to Co. Road 725 (Whitethorn Road) turn Left (East) go 4.2 miles bear Right on Co Road 725 go 3.9 miles bear Right follow lease road .8 miles, turn Left go .8 miles, turn Left and follow lease road to location.
  - C. Exhibit "F" shows the anticipated routes of flowlines and roads into these well locations.
- 2. PLANNED ACCESS ROADS: Approximately 700' of new road will be constructed.
  - A. The access roads will be crowned and ditched to a 12' wide travel surface with a 40' Right-of-Way.
  - B, Gradient of all roads will be less than 5.00%.
  - C. If turn-outs are necessary they will be constructed.
  - D. If needed roads will be surfaced with a minimum of 4" of caliche. This material will be obtained from a local source.
  - E. Center-line for new roads will be flagged. Earth-work will be will be done as field conditions require.
  - F. Culverts will be placed in the access road if they are necessary. The roads will be constructed to utilaze low water crossings for drainage as required by topography.
- 3. LOCATIONS OF EXISTING WELLS IN A ONE MILE RADIUS. EXHIBIT "A-1"
  - A. Water wells One approximately 1 mile west of location.
  - B. Disposal wells None known
  - C. Drilling wells None known
  - D. Producing wells As shown on Exhibit "A-1"
  - E. Abandoned wells As shown on Exhibit "A-1"

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL #2
UNIT "J" SECTION 23
T26S-R29E EDDY CO. NM

4. If on completion this well is a producer the operator will lay pipelines and construct powerlines along existing road R-O-W's or other existing R-O-W's. Possible routes of pipelines, flowlines and powerlines are shown on Exhibit "F".

## 5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and trucked over the access roads or piped to location in flexible lines laid on top of the ground.

## 6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction material will be obtained from the excavation of drill site, if additional material is needed it will be obtained from a local source and transported over the access roads as shown on Exhibit "C".

#### 7. METHODS OF HANDLING WASTE MATERIAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed all contents will be removed and disposed of in a approved sanitary land fill.
- C. Salts remaining after completion of well will be picked up by the supplier, including broken sacks.
- D. Waste water from living quaters will be drained into holes with a minium of 10'. These holes will be covered during drilling and will be back filled when the well is completed. A Porto-John will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- E. Remaining drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry enough to be broken out for furthed drying. If the drilling fluids do not evaporate in a reasonable time they will be hauled off by transports to a state approve disposal site. Later pips will be broken out to speed drying. Water produced during completion will be put in reserve pits. Oil and condensate produced will be put in storage tanks and sold.

#### 8. ANCILLARY FACILITIES:

A. No camps or air strips will be constructed on location.

POGO PRODUCING COMPANY CIMARRON "23" FEDERAL #2 UNIT "J" SECTION 23 T26S-R29E EDDY CO. NM

#### 9. WELL SITE LAYOUT

- A. Exhibit "D" shows the proposed well site layout.
- B. This exhibit indicated proposed location of reserve and sump pits and living facilities.
- C. Mud pits in the active circulating system will be steel pits & the reserve pit is proposed to be unlined unless subsurface condition encountered during pit construction indicate that lining is needed for lateral containment of fluids.
- D. If needed, the reserve pit is to be lined with polyethelene. The pit liner will be 6 mils thick. Pit liner will extend a minimum 2'00" over the reserve pits dikes where the liner will be anchored down.
- E. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

#### 10. PLANS FOR RESTORATION OF SURFACE

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

However, in either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.B as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be contoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which are not required for production facilities.

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL #2
UNIT "J" SECTION 23
T26S-R29E EDDY CO. NM

#### 11. ADDITIONAL INFORMATION:

- A. Topography consists of low lying hills with a dip of 1-5% to the Northwest drainage is into Brushy Draw, an intermittent tributary of the Pecos River. Soil consists of calcareous gravelly, sandy loam. Vegetation consists of creosotebush, Acacia, Prickley Pear, Barrel Cactus, Broom Snakeweed, Mesquite Yucca and native grasses.
- B. The surface is owned by The U.S. Department of Interior and is administered by The Bureau of Land Management. The surface is used for the grazing of livestock and the production of Oil & Gas.
- C. An archaeological survey will be conducted on the location and roads. A report of findings will be in a report that will be filed with The Bureau of Land Management in the Carlsbad Field office in Carlsbad New Mexico.
- D. There are no dwellings in the near vitinity of this location.

## 12. OPERATIOR'S REPRESENTIVES:

## Before Construction:

TIERRA EXPLORATION, INC. P.O. BOX 2188
HOBBS, NEW MEXICO 88241
OFFICE Ph. 505-391-8503
JOE T. JANICA

## During and after Construction:

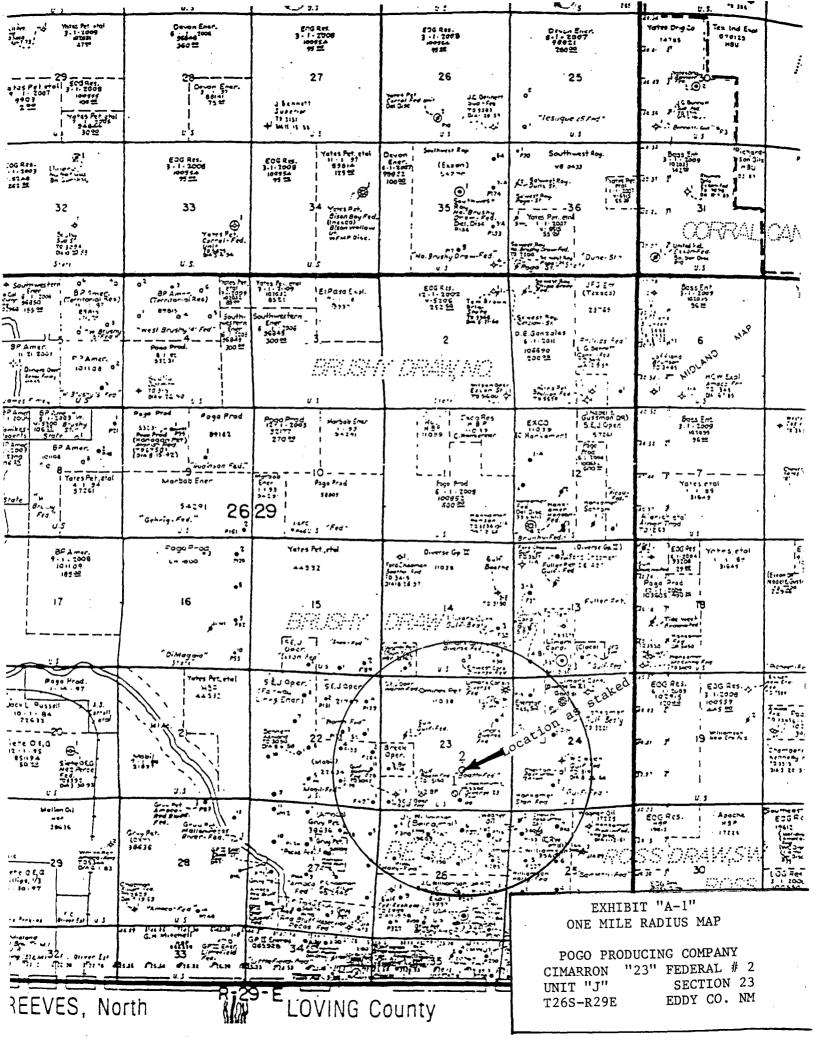
POGO PRODUCING COMPANY P.O. BOX 10340 MIDLAND, TEXAS 79702-7340 RICHARD WRIGHT OFFICE Ph. 915-685-8140

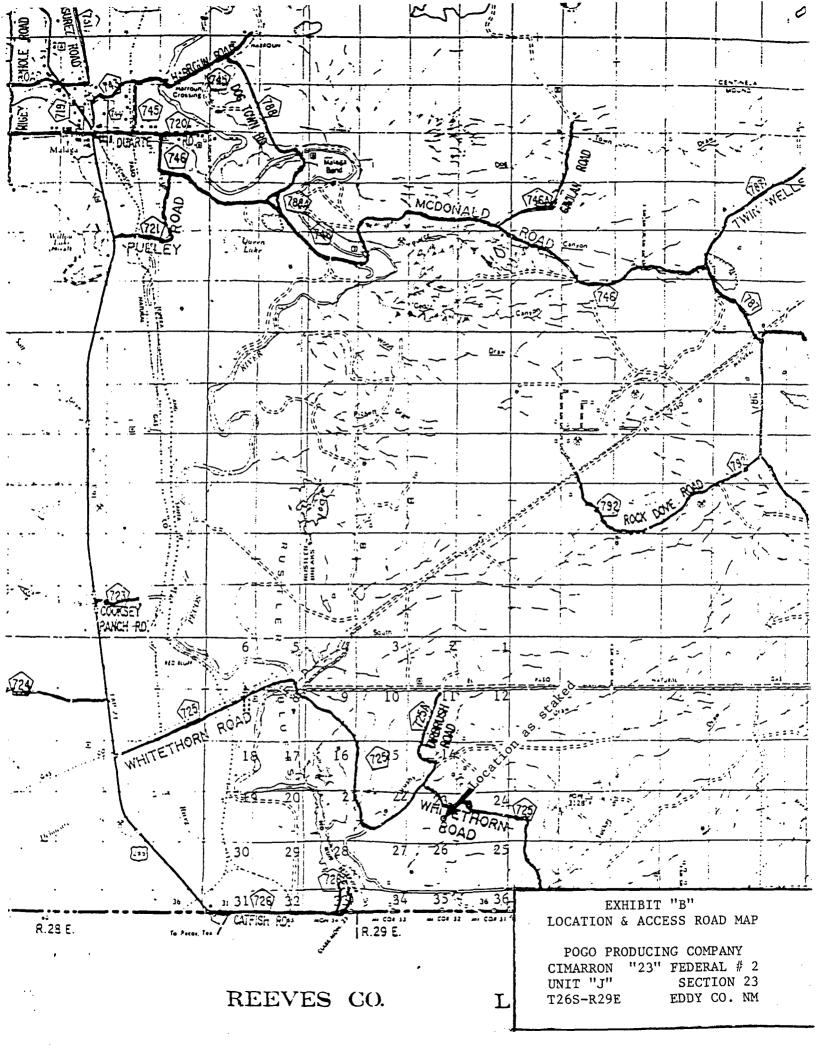
13. CERTIFICATION: I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and the access roads, and that I am familiar with the conditions which currently exist, that the statements made in this plan are to the best of my knowledge are true and correct, and that the work associated with the operations proposed herein will be performed by POGO PRODUCING COMPANY it's contractors/subcontractors is in confirmity with this plan and the terms and conditions under which it is approved. This statement is subject to the provision of U.S.C. 1001 for the filing of a false report.

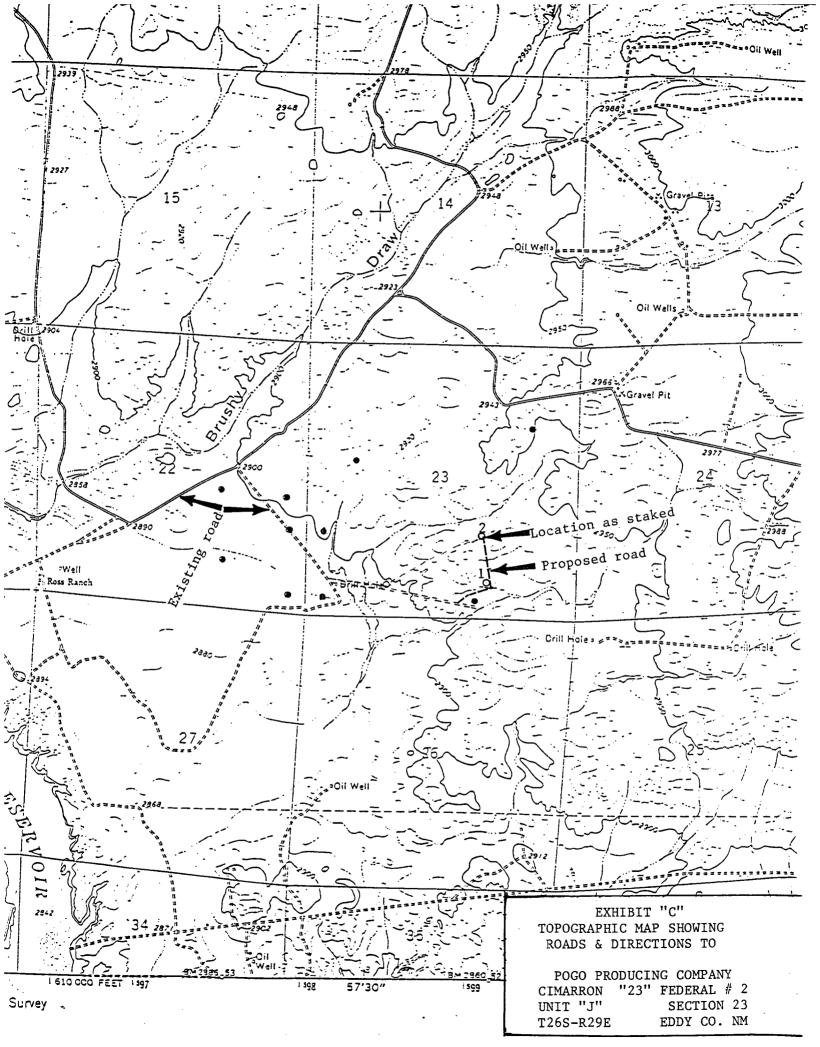
NAME : CO Jamies

DATE 12/04/03

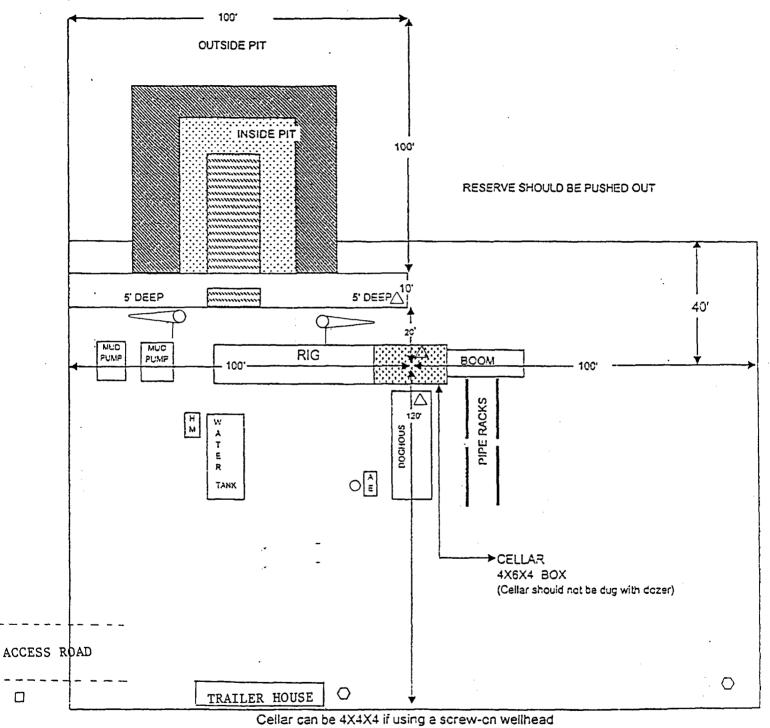
TITLE : Agent







# LOCATION SPECIFICATIONS AND RIG LAYOUT FOR EARTH PITS



Working Pits dug 5' below ground level

**Location Specs** 

- Wind Direction Indicators (wind sock or streamers)
- △ H2S Monitors (alarms at bell nipple and shale shaker)
- Briefing Areas
- O Remote BOP Closing Unit
- Sign and Condition Flags

EXHIBIT "D" RIG LAY OUT PLAT

POGO PRODUCING COMPANY CIMARRON "23" FEDERAL # 2 SECTION 23 UNIT "J" EDDY CO. NM T26S-R29E

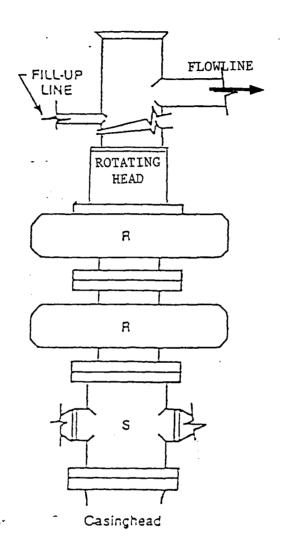


FIGURE K1-1. Recommended IADC Class 2 BOP stack, 2000 psi WP. Either SRd (left) or SA (right) arrangement is acceptable and drilling spool is optional.

EXHIBIT "E"
SKETCH OF B.O.P. TO BE USED ON

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL # 2
UNIT "J" SECTION 23
T26S-R29E EDDY 60. NM



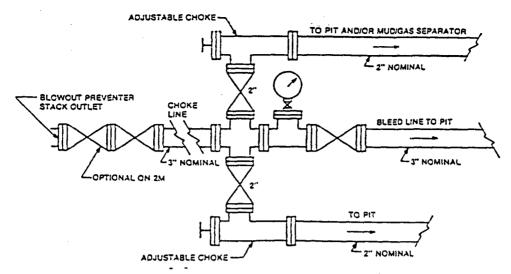


FIGURE K+1. Typical choke manifold assembly for 2M and 3M rated working pressure service — surface installation.

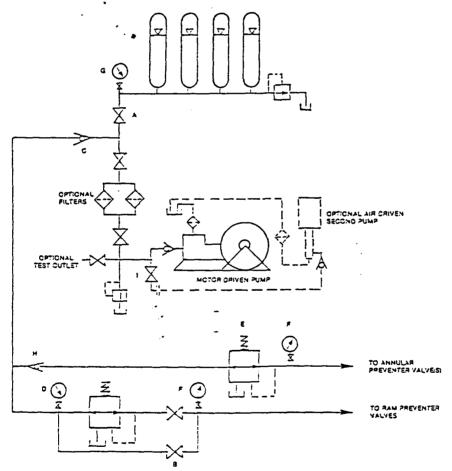
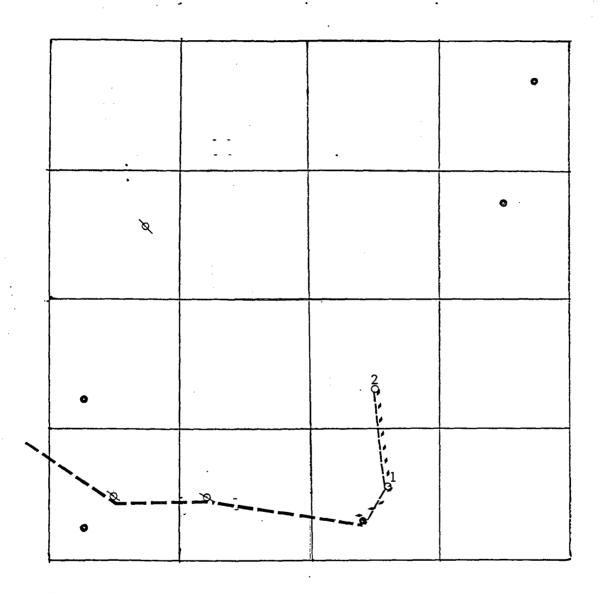


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL # 2
UNIT "J" SECTION 23
T26S-R29E EDDY CO. NM

# SECTION 23 T26S-R29E EDDY CO. NM



EXISTING	ROAD	
PROPOSED	ROAD	*****
PROPOSED	FLOWLI	NE

EXHIBIT "F"
ROUTE OF PROPOSED
ROADS & FLOWLINES

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL # 2
UNIT "J" SECTION 23
T26S-R29E EDDY CO. NM