

5.24.04 DATE IN	6/10/04 SUSPENSE	Stagner ENGINEER	5/21 - Sally 5.25.04 LOGGED IN	NSL TYPE	PSEM0414630880 APP NO
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



Peso

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

RECEIVED

MAY 21 2004

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☒ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James Bruce

Print or Type Name

Signature

Attorney for Applicant

Title

jamesbruc@aol.com

e-mail Address

Date

5/19/04

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

May 19, 2004

Hand Delivered

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F(2), Pogo Producing Company ("Pogo") applies for administrative approval of unorthodox oil well location for the following well:

<u>Well:</u>	Triple "X" State "6" Well No. 1
<u>Location:</u>	330 feet FNL & 1310 feet FWL
<u>Well Unit:</u>	Lot 3 (NE 1 4NW 4) of Section 6, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico

The well will be drilled to test the Delaware formation (Undesignated Triple X-Delaware Pool), which is developed on statewide rules. An APD for the well, with a Form C-102, is attached as Exhibit A.

The application is based on geologic reasons. Attached as Exhibits B and C are a geologic discussion, with an isopach of the Ramsey Sand. The unorthodox location is necessary to encounter the thickest portion of the Delaware channel.

Attached as Exhibit D is a land plat. All of Section 6 is covered by State Lease V-4854-1, which has common royalty, overriding royalty, and working interest ownership. Because the location is interior to the lease, there is no offset operator to notify.¹ As

¹ In the event notice to the north offset (§31-23S-33E) is required, please note that I am the offset lessee, and I hereby waive objection to the unorthodox location. In

a result, applicant requests that the 20 day notice period be waived.

Please call me if you need any further information on this matter.

Very truly yours,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in dark ink and is positioned above the printed name.

James Bruce

Attorney for Pogo Producing Company

addition, the royalty ownership in Sections 6 and 31 is the same (Common Schools).

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
March 4, 2004

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address POGO PRODUCING COMPANY (RICHARD WRIGHT 432-685-8140) P.O. BOX 10340 MIDLAND, TEXAS 79702-7340		OGRID Number 17891
Property Code		API Number 30 -
Property Name TRIPLE "X" STATE "6"		Well No. 1

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	6	24S--	33E		330'	NORTH	1310'	WEST	LEA

Proposed 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
Proposed Pool 1 TRIPLE "X" DELAWARE (59920)					Proposed Pool 2				

Drilling Pit Location and Other Information

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	3	24S	33E						LEA
Depth to ground water 400'					Distance from nearest fresh water well 2.5 miles		Distance from nearest surface water 2.5 miles (BELL LAKE)		
Work Type Code N		Well Type Code O		Cable/Rotary ROTARY		Lease Type Code S		Ground Level Elevation 3642'	
Multiple NO		Proposed Depth 9200'		Formation DELAWARE		Contractor UNKNOWN		Spud Date WHEN APPROVED	

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
25"	20"	NA	40'	Redi-mix	SURFACE
17½"	13 3/8"	48#	850'	850 Sx.	SURFACE.
11"	8 5/8"	32#	4900'	1600 Sx.	SURFACE
7 7/8"	4½"	11.6#	9200'	1000 Sx.	EST. TOC 4200'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SEE ATTACHED SHEET



²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature:

Joe T. Janica

Printed name: Joe T. Janica

Title: Agent

E-mail Address:

Date: 05/15/04

Phone: 505-391-8503

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

POGO PRODUCING COMPANY
TRIPLE "X" STATE 6 # 1
UNIT "D" SECTION 6
T24S-R33E LEA CO. NM

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17½" hole to 850'. Run and set 850' of 13 3/8" 48# H-40 ST&C casing. Cement with 850 Sx. of Class "C" cement + 2% CaCl, + ¼# Flocele/Sx. circulate cement to surface.
3. Drill 11" hole to 4900'. Run and set 4900' of 8 5/8" casing as follows: 400' of 8 5/8" 32# S-80 ST&C, 4500' of 8 5/8" 32# J-55 ST&C casing. Cement with 1600 Sx. of Class "C" Light cement, circulate cement to surface.
4. Drill 7 7/8" hole to 9200'. Run and set 9200' of 4½" casing as follows: 2200' of 4½" 11.6# N-80 LT&C, 6000' of 4½" 11.6# J-55 LT&C, 1000' of 4½" 11.6# N-80 LT&C. Cement with 1000 Sx. of Class "C" cement + additives, estimate top of cement 4200' from surface.

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1625 N. French Dr., Hobbs, NM 88240
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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☐

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☐

Operator: <u>POGO PRODUCING COMPANY</u> Telephone: _____ e-mail address: _____																				
Address: <u>P.O. BOX 10340 MIDLAND, TEXAS 79702-7340</u>																				
Facility or well name: <u>TRIPLE "X" STATE "6"</u> API #: _____ U/L or Qtr/Qtr <u>D</u> Sec <u>6</u> T <u>24S</u> R <u>33E</u>																				
County: <u>LEA</u> Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐																				
<table border="1"> <thead> <tr> <th>Pit</th> <th colspan="2">Below-grade tank</th> </tr> </thead> <tbody> <tr> <td>Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☐ Unlined ☐ Liner type: Synthetic ☐ Thickness <u>12</u> mil Clay ☐ Volume <u>1000</u> bbl</td> <td colspan="2">Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes ☐ If not, explain why not: _____</td> </tr> <tr> <td>Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) <u>400'</u></td> <td>Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more</td> <td>(20 points) (10 points) (0 points)</td> </tr> <tr> <td>Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)</td> <td>Yes No <u>X</u></td> <td>(20 points) (0 points)</td> </tr> <tr> <td>Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)</td> <td>Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more <u>X</u></td> <td>(20 points) (10 points) (0 points)</td> </tr> <tr> <td colspan="3">Ranking Score (Total Points)</td> </tr> </tbody> </table>			Pit	Below-grade tank		Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☐ Unlined ☐ Liner type: Synthetic ☐ Thickness <u>12</u> mil Clay ☐ Volume <u>1000</u> bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes ☐ If not, explain why not: _____		Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) <u>400'</u>	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points)	Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No <u>X</u>	(20 points) (0 points)	Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more <u>X</u>	(20 points) (10 points) (0 points)	Ranking Score (Total Points)		
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Ranking Score (Total Points)																				

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite ☐ offsite ☐ If offsite, name of facility _____ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 05/15/04

Printed Name/Title Joe T. Janica Agent

Signature Joe T. Janica

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: _____

Printed Name/Title _____ Signature _____

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Drawer 88, Artesia, NM 88211-0718

DISTRICT III

1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1984

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 59920	Pool Name TRIPLE "X" DELAWARE
Property Code	Property Name TRIPLE X STATE 6	Well Number 1
OGRID No. 17891	Operator Name POGO PRODUCING COMPANY	Elevation 3642'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	6	24-S	33-E		330'	NORTH	1310'	WEST	LEA

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 or Infill	Consolidation Code	Order No.
40			

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

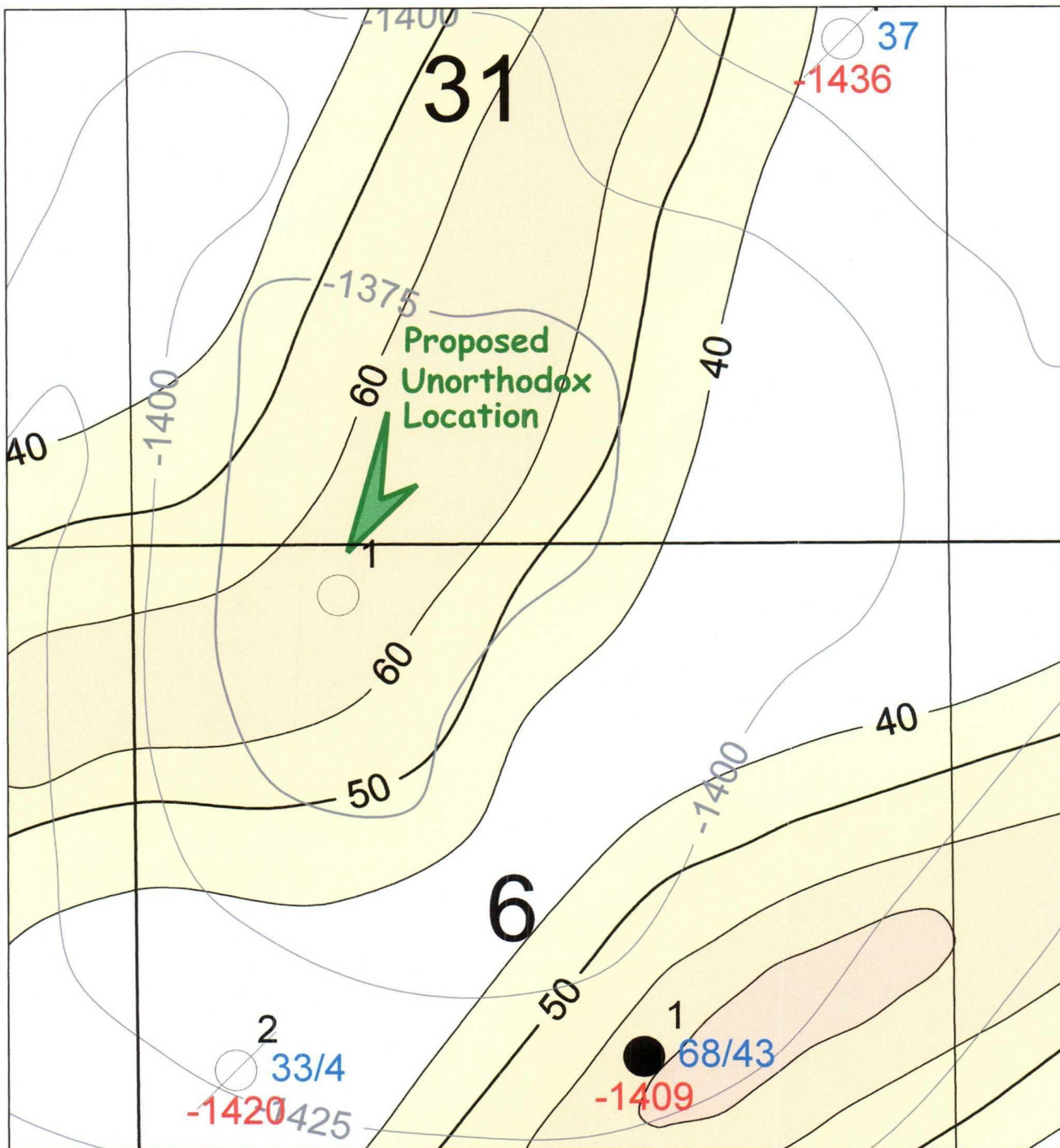
LOT 4 1310' 38.21 AC LOT 5	LOT 3 39.94 AC GEODETIC COORDINATE NAD 27 NME Y=456481.6 N X=722051.4 E LAT.=32°15'10.59" N LONG.=103°36'54.20" W	LOT 2 39.90 AC	LOT 1 39.86 AC	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Joe T. Janica</i> Signature Joe T. Janica Printed Name Agent Title 05/15/04 Date
39.25 AC LOT 6				
39.27 AC LOT 7				
39.29 AC				
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 supervision, and that the same is true and correct to the best of my belief. APRIL 26, 2004 Date Surveyed Signature & Seal of Professional Surveyor <i>Gary Edson</i> 04.11.0480 Certificate No. GARY EDSON 12841				

Pogo Producing Company
Triple X State 6 #1
330 fnl, 1310 fwl, sec. 6, T24S, R33E
Lea County, New Mexico

Application for Unorthodox Location due to Geologic Reasons

1. Pogo requests approval for the proposed Triple X State 6 #1 well at an unorthodox location due to geological considerations.
2. The proposed well has a planned total depth of 9,200', which will test prospective oil producing targets in Delaware sands.
3. The primary target for this location is the Bell Canyon-aged Ramsey Sand, at an approximate depth of 5000' or -1360' subsea (see **attached exhibit**).
4. In order to maximize the possibility of encountering commercial oil reserves, it is necessary to penetrate the thickest portion of the Ramsey Sand channel as mapped with regional subsurface control. The attached exhibit shows net Ramsey Sand thickness with colorfilled contours. The proposed location is expected to encounter in excess of 60 feet of Ramsey Sand with porosity exceeding 24%.
5. Structural control for this location has been obtained from 3D seismic and surrounding subsurface control, and is shown on the attached exhibit with light gray contours. The proposed location is expected to encounter the center of a closed high at an elevation of -1360 subsea.
6. The proposed location allows Pogo to test the Ramsey Sand at its thickest interval within the 40-acre proration unit, while also encountering the sand at its highest structural position.





POGO PRODUCING COMPANY
Western Division Midland, Texas

Triple X Prospect

Structure: Top Ramsey Sand

Isopach: Ramsey Net Sand (24% porosity cutoff)

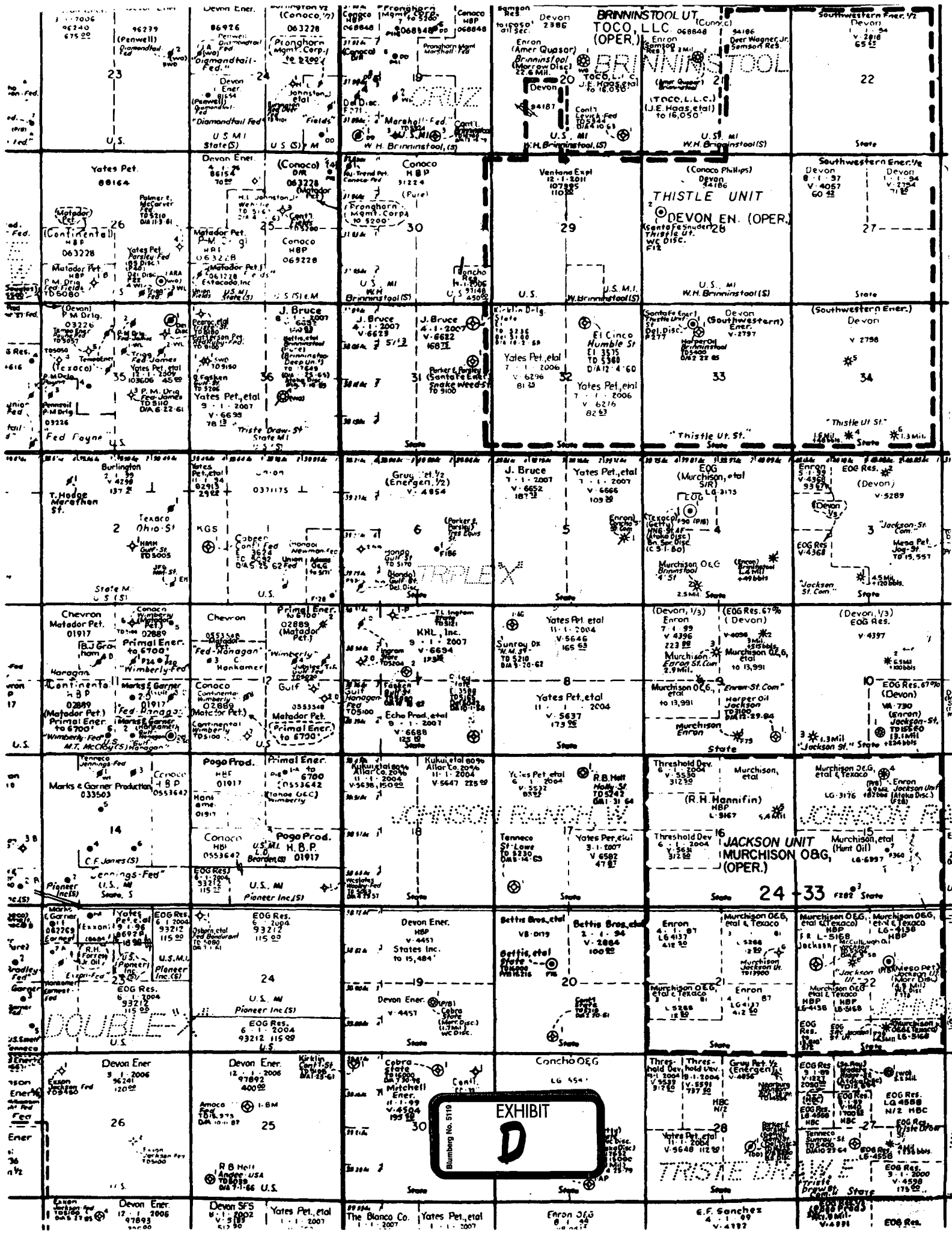
Lea County, New Mexico

WGB:WEH

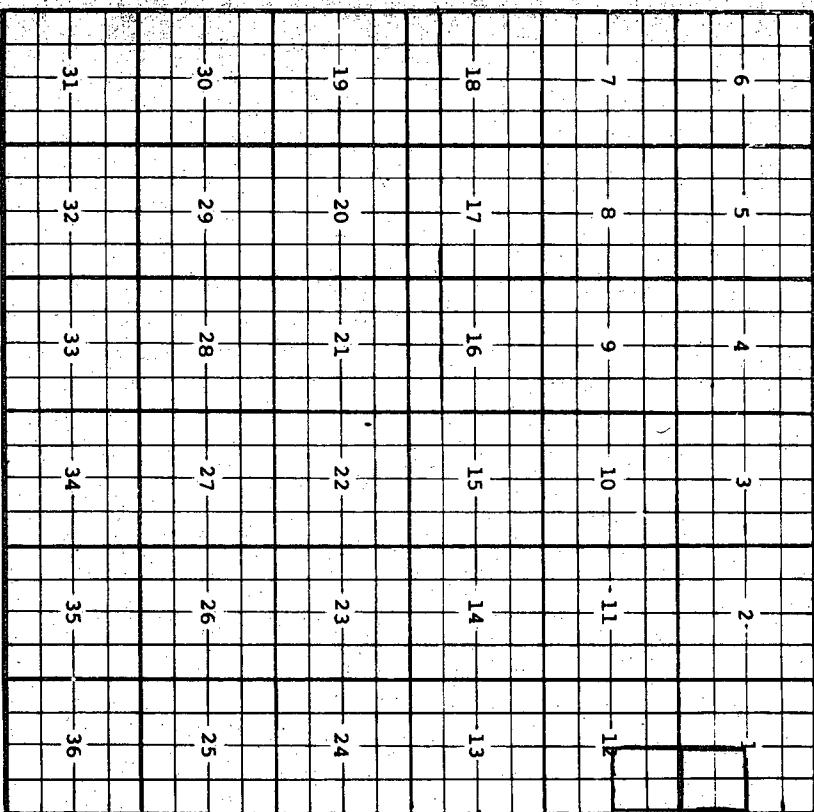
4/25/04

OCD_unorth_ramsey.gmp

Project: brinninstool

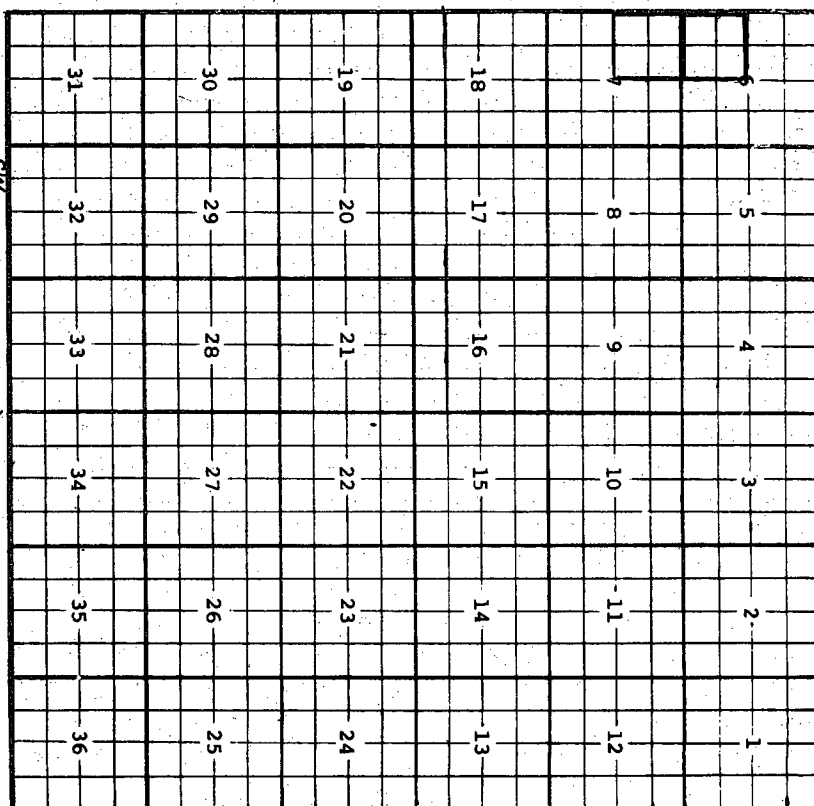


COUNTY	POL	RANGE	MPM
Dea	Triple X- Delaware	32 East	59920
Township 24 South			



Ext: ^{SE} Sec 1 (R-4604, 8-1-73) Ext: ^{NE} Sec 12 (R-4646, 11-1-73)

COUNTY	See	POOL	Triple X- Delaware
TOWNSHIP	24 South	RANGE	33 East
		NMPM	



Description SM Sec 6 (R-4486, 3-1-73)
 Ex: ^{NW} Sec 7 (R-4511, 5-1-73)

Sec : 06 Twp : 24S Rng : 33E Section Type : NORMAL

4	38.21 CS V04854 0001 PRIZE OPERATING C 05/01/01	3	39.94 CS V04854 0001 PRIZE OPERATING C 05/01/01	2	39.90 CS V04854 0001 PRIZE OPERATING C 05/01/01	1	39.86 CS V04854 0001 PRIZE OPERATING C 05/01/01
5	39.25 CS V04854 0001 PRIZE OPERATING C 05/01/01	F	40.00 CS V04854 0001 PRIZE OPERATING C 05/01/01	G	40.00 CS V04854 0001 PRIZE OPERATING C 05/01/01	H	40.00 CS V04854 0001 PRIZE OPERATING C 05/01/01
6	38.27 CS V04854 0001 PRIZE OPERATING C 05/01/01 A	K	40.00 CS V04854 0001 PRIZE OPERATING C 05/01/01	J	40.00 CS V04854 0001 PRIZE OPERATING C 05/01/01 A	I	40.00 CS V04854 0001 PRIZE OPERATING C 05/01/01
7	39.29 CS V04854 0001 PRIZE OPERATING C 05/01/01 P	N	40.00 CS V04854 0001 PRIZE OPERATING C 05/01/01	O	40.00 CS V04854 0001 PRIZE OPERATING C 05/01/01	P	40.00 CS V04854 0001 PRIZE OPERATING C 05/01/01