

7/31/98 8/20/98 MS KN NSL

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [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]

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

[A] Location - Spacing Unit - Directional Drilling

☒ NSL ☐ NSP ☐ DD ☐ 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

[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] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

JAMES BRUCE
 P.O. BOX 1056
 SANTA FE, NM 87504

Note: Statement must be completed by an individual with supervisory capacity.

James Bruce
 Signature

Agency for
 Title

Date

Print or Type Name

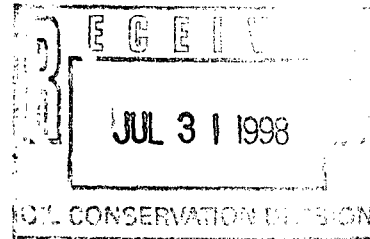
JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

SUITE B
612 OLD SANTA FE TRAIL
SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

July 31, 1998



Hand Delivered

Michael E. Stogner
Oil Conservation Division
2040 South Pacheco Street
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 locations for the following wells:

Lost Tank "3" Fed. Well No. 4
1330 feet FNL & 330 feet FWL
SW~~1~~NW~~4~~ (Unit E) S3

Lost Tank "4" Fed. Well No. 7
1330 feet FNL & 660 feet FEL
SE~~1~~NE~~4~~ (Unit H) S4

All in Township 22 South, Range 31 East, NMFM, Eddy County, New Mexico.

The wells will be drilled to test the Delaware formation (West Lost Tank-Delaware Pool). The pool is governed by statewide rules, with 40 acre spacing and wells to be located no closer than 330 feet to a quarter-quarter section line.

The subject acreage is in the oil-potash area of southeast New Mexico, and the proposed locations are non-standard due to potash reasons.

The original location for the Lost Tank "3" Fed. Well No. 4 was orthodox, 1650 feet FNL and 660 feet FWL. **Exhibit A.** However, the Bureau of Land Management ("BLM") denied that location based on potash concerns. **Exhibit B.** Negotiations with the BLM resulted in an alternate location described above. Copies of the APD (Form 3160-3) and Form C-102 submitted to the BLM for the unorthodox

location are attached as Exhibit C.

The original location for the Lost Tank "4" Fed. Well No. 7 was also orthodox, 1650 feet FNL and 430 feet FEL. **Exhibit D.** The BLM denied that location due to potash concerns. **Exhibit E.** Discussions with the BLM resulted in the proposed unorthodox location described above. Copies of the APD and Form C-102 submitted to the BLM for this location are attached hereto as Exhibit F.

Submitted as Exhibit G is a land plat of the subject area. All of Section 3 and all of Section 4 except the NW~~1~~⁴ is comprised of federal lease NM 0417696, which is owned 50-50 by Pogo and Phillips Petroleum Company. Pogo operates the lease. In addition, royalty and overriding royalty ownership is common throughout the lease. Thus, no interest owner is adversely affected by the unorthodox locations, and notice is not required to be given to anyone.

This application is submitted in duplicate. Please call me if you need anything further on this matter.

Very truly yours,



James Bruce

Attorney for Pogo Producing Company

OPERATOR'S COPY

SUBMIT IN TRIPLICATE*

FORM APPROVED

ONE NO. 1004-0136

Expires: February 28, 1995

Form 3160-J
(July 1992)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK

DRILL ☒DEEPEN ☐

ROSWELL, NM

2. TYPE OF WELL

OIL WELL ☒GAS WELL ☐

OTHER

SINGLE ZONE ☒MULTIPLE ZONE ☐

3. NAME OF OPERATOR

POGO PRODUCING CO

(RICHARD WRIGHT)

4. ADDRESS AND TELEPHONE NO.

P.O. Box 10340 MIDLAND, TX 79702 Phone (915) 682-6822

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1650' FNL & 660' FWL SEC. 3 T22S-R31E EDDY CO. NM

At proposed prod. zone

SAME

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

APPROXIMATELY 30 MILES EAST OF CARLSBAD, N.M.

7. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LING. FT.
(Also to nearest SURV. UNIT line, if any)

460

8. NO. OF ACRES IN LEASE

320

9. NO. OF ACRES ASSIGNED

TO THIS WELL 40

10. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

990'

11. PROPOSED DEPTH

8150'

12. ROTARY OR CABLE TOOLS

ROTARY

13. ELEVATIONS (Show whether DV, RT, GR, etc.)

3470' GR.

14. APPROX. DATE WORK WILL START*

AS SOON AS APPROVED

15.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	20" Conductor	NA	40'	Cement to surface w/Redi-Mix
14-3/4"	H-40 10-3/4"	32.7	550'	400 sx Circulate to surface
9-7/8"	J-55 7-5/8"	26.4	4000'	1000 sx " " "
6-3/4"	J-55 4-1/2"	11.6	8150'	1500 sx " " "

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe. Cement to surface with Redi-Mix.
2. Drill 14-3/4" hole to 550'. Run & set 550' of 10-3/4" H-40 32.7# ST&C casing. Cement with 250 sx of 35/65 Class "C" POZ light + 2% CaCl, tail in with 150 sx Class "C" + 2% CaCl. Circulate cement to surface.
3. Drill 9-7/8" hole to 4000'. Run & set 4000' of 7-5/8" J-55 26.4 ST&C casing. Cement with 800 sx 35/65 Class "C" POZ + 5# Salt/sx. Tail in with 200 sx Class "C" + 2% CaCl. Circulate cement to surface.
4. Drill 6-3/4" hole to 8150'. Run & set 8150' of 4 1/2" J-55 11.6# ST&C casing. Cement in three stages: 1st stage: 500 sx Class "H" + 5% Micro Bond. 2nd stage: 400 sx Class "C" 12# Gilsontite/sx. 3rd stage: 500 sx Class "C" Halco light, tail in with 100 sx Class "C" neat. Circulate cement to surface.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 prevention program, if any.

24.

SIGNED

Robert T. James

TITLE

AGENT

DATE

07/29/97

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

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

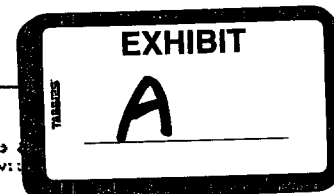
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

*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 United States any false, fictitious or fraudulent statements or representations as to any matter with



DISTRICT I

P.O. Box 1288, Hobbs, NM 88241-1288

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1984

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

P.O. Box 22, Artesia, NM 88211-0022

DISTRICT III

1000 Rio Bravo Rd., Artesia, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	96582	TRIPLE "P" DELAWARE
Property Code	Property Name	Well Number
20943	LOST TANK "3" FEDERAL	4
OGRD No.	Operator Name	Elevation
17891	POGO PRODUCING COMPANY	3470

Surface Location

UL or Lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
E	3	22 S	31 E		1650	NORTH	660	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot 1/4	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

				OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Joe T. Janica Printed Name Agent 07/29/97 Date	
				SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision and that the same is true and correct to the best of my belief. APRIL 9, 1997 Date Surveyed Signature D. J. Edson Registered Professional Surveyor NEW MEXICO No. 416-97 Exp. 12-31-98 License No. 97-150543 County No. WEST 675 D. J. Edson, 3238 Registered Professional Surveyor, 12841	

EXHIBIT "A"



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

New Mexico State Office
1474 Rodero Road
P. O. Box 27115
Santa Fe, New Mexico 87502-0115

RECEIVED

MAR 19 1998

MIDLAND

IN REPLY REFER TO:
3160(06200)
NM-0417696

MAR 6 1998

CERTIFIED--RETURN RECEIPT REQUESTED
P 382 821 519

Pogo Producing Company
Attention: Richard Wright
P. O. Box 10340
Midland, TX 79702

RE: Lost Tank "3" Federal #4
NM-0417696
1650' FNL & 660' FWL, Sec. 3, T22S, R31E
Eddy County, New Mexico

Dear Mr. Wright:

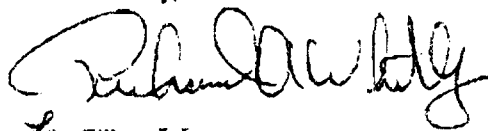
Your proposed oil and gas well is located in the Secretary of the Interior's Potash Area as described by 1986 Secretarial Order. In accordance with the order, we have designated areas within the Potash Area as a Potash Enclave. The enclave contains measured potassium mineral resources of sufficient quality and quantity to be technologically and economically minable using standard mining practices.

Regrettably, your proposed well must be denied. Drilling at the proposed location would likely interfere with future potash mining and result in undue waste of known enclave reserves. In the future, it could also prove hazardous to the health and safety of potash miners.

Your copies of the application are being returned. Any party adversely affected by this decision may appeal to the Interior Board of Land Appeals in accordance with 43 CFR 3165.4 and Form 1842-1 (enclosed).

Please contact our Carlsbad Resource Area Office Solid Minerals Staff at (505) 887-6544 should you have questions regarding alternative locations or need other assistance on matters involving potash mining.

Sincerely,


for Gilbert J. Lucero
Acting State Director

2 Enclosures

EXHIBIT

B

Form 3180-3
(July 1993)SUBMIT IN TRIPPLICATE*
(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

4. LEASE DESIGNATION AND SERIAL NO.	NM-0417696
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	---
7. UPLD AGREEMENT NAME	---
8. NAME OR LEASE NAME WELL NO.	LOST TANK "3" FEDERAL # 4
9. APPROVAL NO.	---
10. FIELD AND POOL OR WILDCAT	LOST TANK DELAWARE WEST
11. SEC. T. R. M. OR B.L. AND SURVEY NO. AREA	SEC 3 T225 R31E
12. COUNTY OR PARISH	EDDY CO
13. STATE	N.M.

1. TYPE OF WORK DRILL ☒ DEEPEN ☐	
2. TYPE OF WELL OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐	
3. NAME OF OPERATOR POGO PRODUCING CO (RICHARD WRIGHT)	
4. ADDRESS AND TELEPHONE NO. P.O. Box 10340 MIDLAND, TX 79702 Phone (915) 682-6822	
5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1330' FNL & 330' FWL SEC. 3 T225-R31E EDDY CO. NM At proposed prod. zone: Same	
6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE APPROXIMATELY 30 MILES EAST OF CARLSBAD, N.M.	
7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest strip unit (loc. if any))	330'
8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL DRILLING COMPLETED OR APPLIED FOR ON THIS LEASE, FT.	990'
9. NO. OF ACRES IN LEASE	320
10. NO. OF ACRES ASSIGNED TO THIS WELL	40
11. PROPOSED DEPTH	8150'
12. METHOD OF CABLE TOOL	ROTARY
13. ELEVATION (Show whether DT, BT, GR, etc.)	3474' GR.
14. APPROX. DATE WORK WILL START AS SOON AS APPROVED	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	20" Conductor	NA	40'	Cement to surface w/Redi-Mix
14-3/4"	H-40 10-3/4"	32.7	550'	400 sx Circulate to surface
9-7/8"	J-55 7-5/8"	26.4	4000'	1000 sx " " "
6-3/4"	J-55 4-1/2"	11.6	8150'	1500 sx " " "

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe. Cement to surface with Redi-Mix.
2. Drill 14-3/4" hole to 550'. Run & set 550' of 10-3/4" H-40 32.7# ST&C casing. Cement with 250 sx of 35/65 Class "C" POZ light + 2% CaCl₂, tail in with 150 sx Class "C" + 2% CaCl₂. Circulate cement to surface.
3. Drill 9-7/8" hole to 4000'. Run & set 4000' of 7-3/8" J-55 26.4 ST&C casing. Cement with 800 sx 35/65 Class "C" POZ + 5# Salt/sx. Tail in with 200 sx Class "C" + 2% CaCl₂. Circulate cement to surface.
4. Drill 6-3/4" hole to 8150'. Run & set 8150' of 4 1/2" J-55 11.6# ST&C casing. Cement in three stages: 1st stage: 500 sx Class "H" + 5% Micro Bond. 2nd stage: 400 sx Class "C" 12# Gilsomite/sx. 3rd stage: 500 sx Class "C" Halco light, tail in with 100 sx Class "C" neat. Circulate cement to surface.

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

SIGNED

TITLE

AGENT

DATE

06/25/98

(This space for Federal or State use)

PERMIT NO.

APPROVAL DATE

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

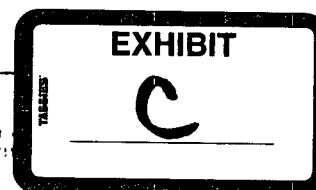
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

*See Instructions On Reverse Side

46 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to the United States any false, fictitious or fraudulent statements or representations as to any matter which



DISTRICT I

P.O. Box 1000, Hobbs, NM 88241-1000

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT II

P.O. Box 20, Artesia, NM 88211-0020

DISTRICT III

1000 Elia Street S.E., Artesia, NM 87410

DISTRICT IV

P.O. Box 2000, Santa Fe, NM 87504-2000

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 18, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 9653 z	Pool Name
	96582	LOST TANK DELAWARE WEST
Property Code	Property Name	Well Number
20943	LOST TANK "J" FEDERAL	4
OGUID No.	Operator Name	Elevation
17891	POGO PRODUCING COMPANY	3474

Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	3	22 S	31 E		1330	NORTH	330	WEST	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 or Infill		Consolidating 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

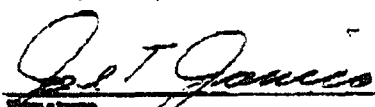
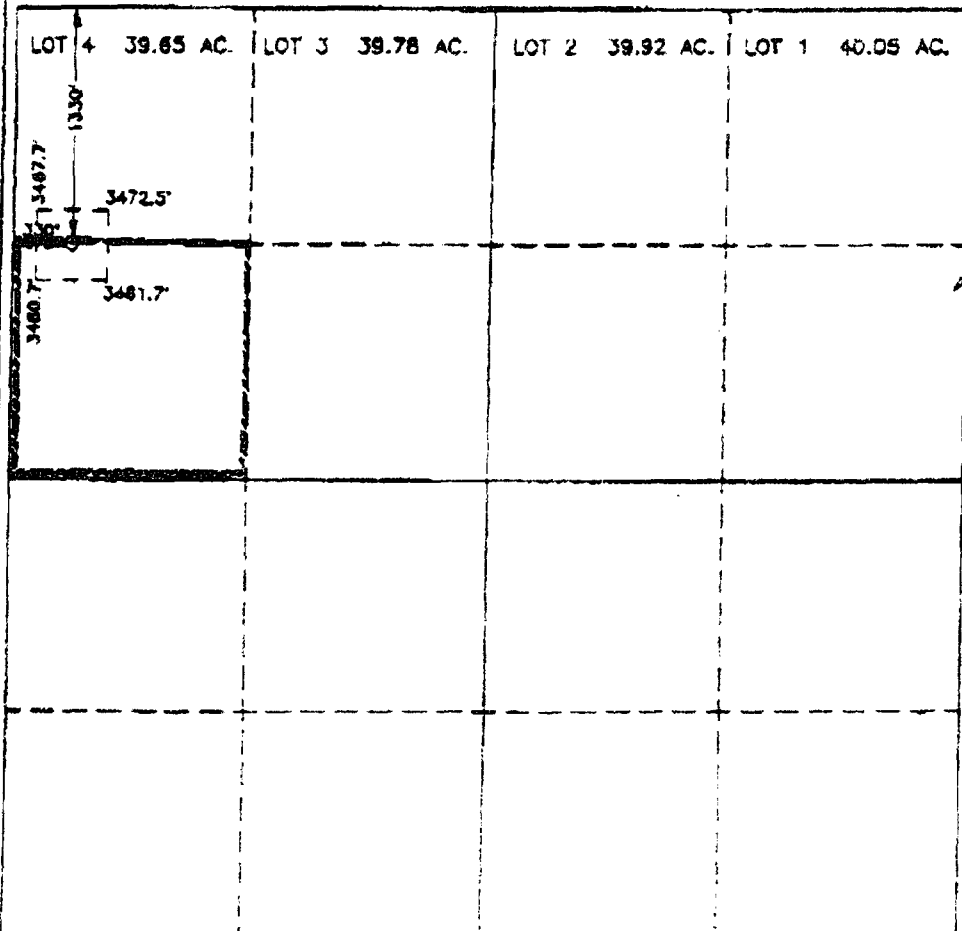
LOT 4 39.65 AC.	LOT 3 39.78 AC.	LOT 2 39.92 AC.	LOT 1 40.05 AC.	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature Joe T. Janica Printed Name Agent Title Date 06/25/98
				
SURVEYOR CERTIFICATION I hereby 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. JUNE 15, 1998 Date Surveyed Signature & Seal of Professional Surveyor  R.E. EASON 6-17-98 S.W.O. N.M. 98-15-0907 Certificate No. RONALD E. EASON 3139 CARRIE E. EASON 13041 PROFESSIONAL SURVEYOR 12189				

EXHIBIT "A"

N. M. Oil Cons. Division

Form 3160-3
(July 1992)ORIGINALS ONLY
DUPLICATEFORM APPROVED
OMB NO. 1004-0134
Expires: February 28, 1995UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

ARTESIA, N.M.

RECEIVED

95-0417696

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK

DRILL ☒DEEPEN ☐

2. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐OTHER ☐SINGLE
ZONE ☒MULTIPLE
ZONE ☐

3. NAME OF OPERATOR

POGO PRODUCING CO

(RICHARD WRIGHT)

4. ADDRESS AND TELEPHONE NO.

P.O. Box 10340 MIDLAND, TX 79702 Phone (915) 682-6822

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

1650' FNL & 430' FEL SEC. 4 T225-R31E EDDY CO
At proposed prod. zone
Same

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

APPROXIMATELY 30 MILES EAST OF CARLSBAD, N.M.

7. DISTANCE FROM PROPOSED

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest strip, unit line, if any)

430'

8. DISTANCE FROM PROPOSED LOCATION
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1220'

9. NO. OF ACRES IN LEASE

320

10. NO. OF ACRES ASSIGNED

40

11. PROPOSED DEPTH

8150'

12. ROTARY OR CABLE TOOLS

ROTARY

13. ELEVATIONS (Show whether OP, RT, GR, etc.)

3463' GR.

14. APPROX. DATE WORK WILL START

AS SOON AS APPROVED

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	20" Conductor	NA	40'	Cement to surface w/Redi-Mix
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9-7/8"	J-55 7-5/8"	26.4	4000'	1000 sx " " "
6-3/4"	J-55 4-1/2"	11.6	8150'	1500 sx " " "

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4. Drill 6-3/4" hole to 8150'. Run & set 8150' of 4 1/2" J-55 11.6# ST&C casing. Cement in three stages: 1st stage: 500 sx Class "H" + 5% Micro Bond. 2nd stage: 400 sx Class "C" 12# Gilsonite/sx. 3rd stage: 500 sx Class "C" Halco light, tail in with 100 sx Class "C" neat. Circulate cement to surface.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 prevention program, if any.

SIGNED

(This space for Federal or State office use)

TITLE

AGENT

DATE

04/21/97

PERMIT NO.

APPROVAL DATE

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.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

*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 a Federal official any materially false, fictitious or fraudulent statements or representations as to any matter within the jurisdiction of the Federal Government.



DISTRICT I

P.O. Box 1900, Santa Fe, NM 87501-1900

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-10E

Revised February 10, 1994

Submit to appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

P.O. Drawer 20, Aramita, NM 88211-0710

DISTRICT III

1000 Rio Grande Rd., Silver, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

O AMENDED REPORT

DISTRICT IV

P.O. Box 2020, Santa Fe, NM 87504-2020

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		TRIPLE "P" DELAWARE
Property Code	Property Name	Well Number
17955	LOST TANK "4" FEDERAL	7
OSRD No.	Operator Name	Elevation
17891	POGO PRODUCING COMPANY	3463

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	4	22 S	31 E		1650	NORTH	430	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 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 39.97 AC.	LOT 3 39.85 AC.	LOT 2 39.75 AC.	LOT 1 39.63 AC.		OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Joe T. Janica</i> Printed Name: Joe T. Janica Agent Title Date: 04/21/97
					SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of correct surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. APRIL 9, 1997
					Data from: J. EIDSON Signature: <i>J. EIDSON</i> Printed Name: J. EIDSON Title: Surveyor Date: 4-16-97 P.O. Box: 97-150645 County: Santa Fe, NM Certified: G. EIDSON, 3238



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

New Mexico State Office
1474 Rodeo Road
P. O. Box 27115
Santa Fe, New Mexico 87502-0115

IN REPLY REFER TO:
3160(06200)
NM-0417696

RECEIVED

MAY - 6 1998

APR 30 1998

CERTIFIED—RETURN RECEIPT REQUESTED
P 144 849 400

MIDLAND

Pogo Producing Company
Attention: Richard Wright
P. O. Box 10340
Midland, TX 79702

RE: Lost Tank "4" Federal #7
NM-0417696
1650' FNL & 430' FEL, Sec. 4, T22S, R31E
Eddy County, New Mexico

Dear Mr. Wright:

Your proposed oil and gas well is located in the Secretary of the Interior's Potash Area as described by 1986 Secretarial Order. In accordance with the order, we have designated areas within the Potash Area as a Potash Enclave. The enclave contains measured potassium mineral resources of sufficient quality and quantity to be technologically and economically minable using standard mining practices.

Regrettably, your proposed well must be denied. Drilling at the proposed location would likely interfere with future potash mining and result in undue waste of known enclave reserves. In the future, it could also prove hazardous to the health and safety of potash miners.

Your copies of the application are being returned. Any party adversely affected by this decision may appeal to the Interior Board of Land Appeals in accordance with 43 CFR 3165.4 and Form 1842-1 (enclosed).

Please contact our Carlsbad Resource Area Office Solid Minerals Staff at (505) 887-6544 should you have questions regarding alternative locations or need other assistance on matters involving potash mining.

Sincerely,


M. J. Chavez
State Director

2 Enclosures



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK

DRILL ☒

DEEPEN ☐

2. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER ☐

SINGLE
TUBE ☐

MULTIPLE
TUBE ☐

3. NAME OF OPERATOR

POGO PRODUCING CO

(RICHARD WRIGHT)

4. ADDRESS AND TELEPHONE NO.

P.O. Box 10340 MIDLAND, TX 79702 Phone (915) 682-6822

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

1330' FNL & 660' FEL SEC. 4 T22S-R31E EDDY CO. NM
At proposed prod. zone

SEISM

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

APPROXIMATELY 30 MILES EAST OF CARLSBAD, N.M.

7. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drg. well line, if any)

660'

8. DISTANCE FROM PROPOSED LOCATION
TO NEAREST WELL DRILLING COMPLETED
ON ADJACENT PL. ON THIS LEASE, FT.

875'

9. NO. OF ACRES IN LEASE

320

10. NO. OF ACRES ASSIGNED

TO THIS WELL

40

11. PROPOSED DEPTH

8150'

12. ROTARY OR CABLE TOOL

ROTARY

13. ELEVATIONS (Show whether SP, RT, OR, etc.)

3461' GR.

14. APPROX. DATE WORK WILL START

AS SOON AS APPROVED

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	20" Conductor	NA	40'	Cement to surface w/Redi-Mix
14-3/4"	H-40 10-3/4"	32.7	550'	400 sx Circulate to surface
9-7/8"	J-55 7-5/8"	26.4	4000'	1000 sx " " "
6-3/4"	J-55 4-1/2"	11.6	8150'	1500 sx " " "

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe. Cement to surface with Redi-Mix.
2. Drill 14-3/4" hole to 550'. Run & set 550' of 10-3/4" H-40 32.7# ST&C casing. Cement with 250 sx of 35/65 Class "C" POZ light + 2% CaCl. Tail in with 150 sx Class "C" + 2% CaCl. Circulate cement to surface.
3. Drill 9-7/8" hole to 4000'. Run & set 4000' of 7-5/8" J-55 26.4 ST&C casing. Cement with 800 sx 35/65 Class "C" POZ + 5# Salt/sx. Tail in with 200 sx Class "C" + 2% CaCl. Circulate cement to surface.
4. Drill 6-3/4" hole to 8150'. Run & set 8150' of 4 1/2" J-55 11.6# ST&C casing. Cement in three stages: 1st stage: 500 sx Class "H" + 5% Micro Bond. 2nd stage: 400 sx Class "C" 12# Gilsontite/sx. 3rd stage: 500 sx Class "C" Halco light, tail in with 100 sx Class "C" neat. Circulate cement to surface.

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

SIGNED

[Signature]

TITLE

AGENT

DATE

06/25/98

(This space for Federal or State police use)

PERMIT NO.

APPROVAL DATE

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.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

"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.

EXHIBIT

F

DISTRICT I

P.O. Box 1080, Hobbs, NM 88241-1080

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT II

P.O. Drawer 21, Aramark, NM 88111-0710

DISTRICT III

1080 Rio Grande Rd., Arden, NM 87410

DISTRICT IV

P.O. Box 2000, Santa Fe, NM 87504-2000

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 Leads - 4 Copies
 Fee Leads - 3 Copies

O AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	96582	LOST TANK DELAWARE WEST
Property Code	Property Name	Well Number
20943	LOST TANK "4" FEDERAL	7
OSID No.	Operator Name	Elevation
17891	POGO PRODUCING COMPANY	3461

Surface Location

TL or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
H	4	22 S	31 E		1330	NORTH	660	EAST	EDDY

Bottom Hole Location If Different From Surface

TL or lot No.	Section	Township	Range	Lot 1/4	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 39.97 AC.	LOT 3 39.85 AC.	LOT 2 39.75 AC.	LOT 1 39.65 AC.
			3458.2'
			3457.9'
			3457.7'
			3460.1'

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Joe T. Janica
 Signature
 Joe T. Janica
 Printed Name
 Agent
 Title
 06/25/98
 Date

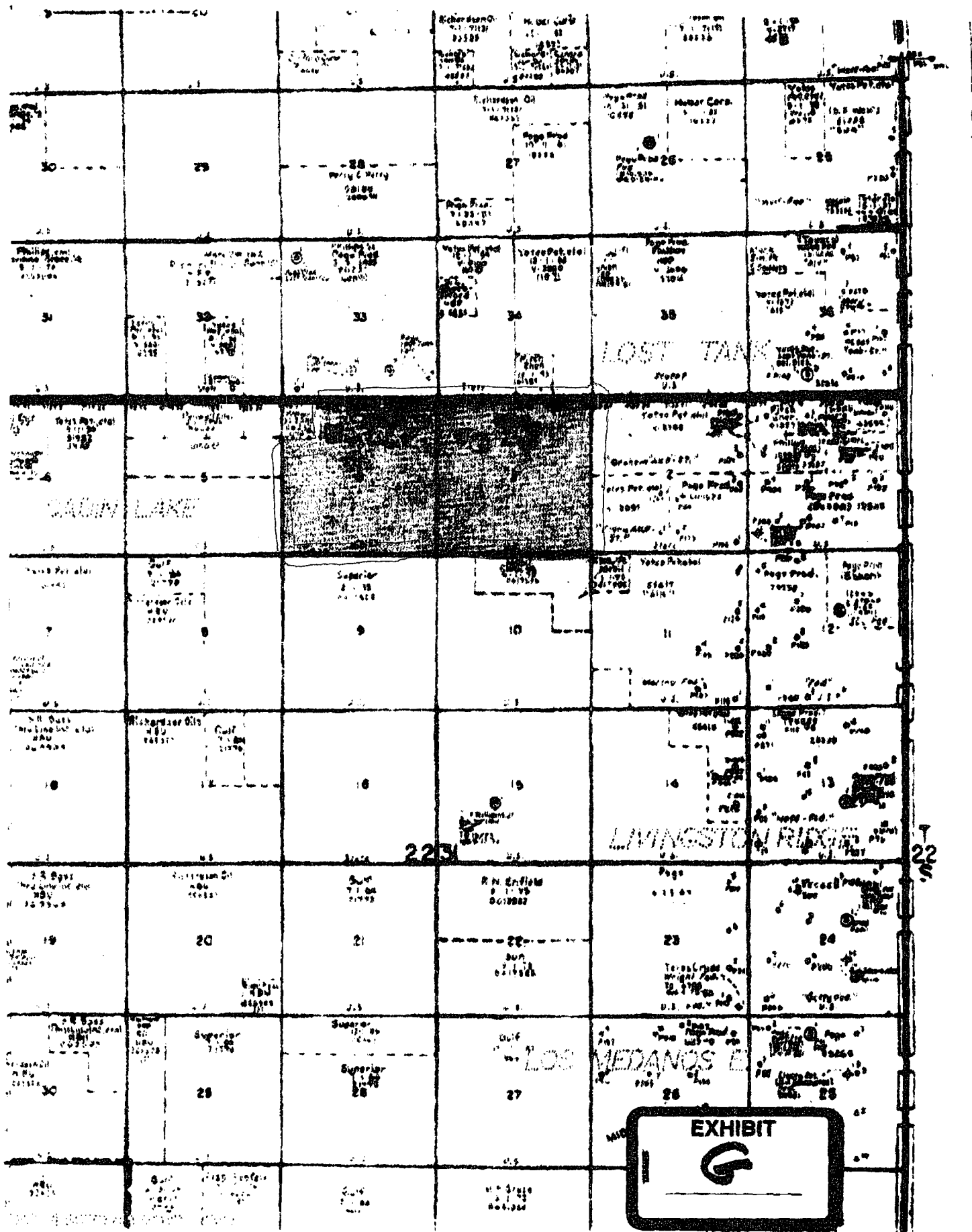
SURVEYOR CERTIFICATION

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.

JUNE 15, 1998

Date Surveyed
 Signature of State Professional Surveyor
Ronald E. Edison
 P.O. No. 98-110908
 Certificate No. RONALD E. EDISON 3238
 JUNE 15, 1998
 RICHARD McDONALD 12189

EXHIBIT "A"



EXHIBIT

G

County Eddy Pool West Lost Tank-Delaware

TOWNSHIP 21 South Range 31 East NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Description: S/2 Sec. 33 (R-10787, 4-9-97)

Ext. NE/4 Sec. 33 (R-10844, 7-16-97)

County Eddy Pool West Lost Tank - Delaware

TOWNSHIP 22 South Range 31 East NMPM

A 6x6 grid with numbers 1 through 36. The numbers are arranged in a standard 6x6 grid pattern, starting from 1 in the top-right corner and increasing towards the bottom-left. A 3x3 square is highlighted in the top-left corner, covering the cells containing numbers 4, 5, 6, 9, 10, 11, 12, 13, and 14. The highlighted area is defined by a thick black border. The numbers 1 through 36 are distributed as follows:
Row 1: 6, 5, 4, 3, 2, 1
Row 2: 7, 8, 9, 10, 11, 12
Row 3: 18, 17, 16, 15, 14, 13
Row 4: 19, 20, 21, 22, 23, 24
Row 5: 30, 29, 28, 27, 26, 25
Row 6: 31, 32, 33, 34, 35, 36
The highlighted 3x3 square covers the cells with numbers 4, 5, 6, 9, 10, 11, 12, 13, and 14.

Description: NW/4 Sec. 4 (R-10782, 4-9-97)

Ext: NW 1/4 Sec. 3, NE 1/4 Sec. 4 (R-10951, 2-4-98)