

DHC 12/2/99

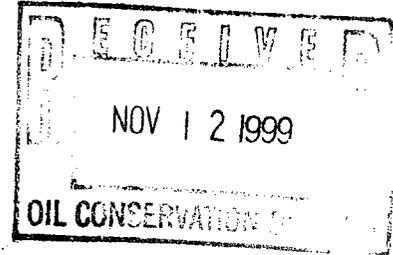


POGO PRODUCING COMPANY

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

November 8, 1999

New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
Attention: Mr. David R. Catanach



2529

RE: Southeast Red Tank Prospect
Lea County, New Mexico
Application for Administrative Approval
for Downhole Commingling in the
Covington "A" Federal No. 10 Well
located 660' FSL and 1980' FEL
Section 25, T-22-S, R-32-E
Federal Oil and Gas Lease NM NM2379
Pogo Lease L12

Gentlemen:

Pogo Producing Company respectfully submits Form C-107 (in duplicate), along with attachments thereto, in connection with Pogo's request for Administrative approval to downhole commingle production from the captioned well.

If you have any questions, please give me a call at (915) 685-8120.

Sincerely,

POGO PRODUCING COMPANY


Terry Gant
Division Landman

Enclosure

cc: New Mexico Oil Conservation Division (w/copy of enclosure)
Attn: District Supervisor
P.O. Box 1980
Hobbs, NM 88240

DISTRICT I

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

DISTRICT II

OIL CONSERVATION DIVISION

APPROVAL PROCESS:

811 South First St., Artesia, NM 88210-2835

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

Administrative Hearing .

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410-1693

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE.

YES NO.

Pogo Producing Company P.O. Box 10340 Midland, TX 79702-7340

Operator Covington A Federal 10 Address O, Sec 25, T-22-S, R-32-E Lea

Lease Well No. Unit Ltr. - Sec - Twp - Rge County

GRID NO. 17891 Property Code 9316 API NO. 30-025-32581 Spacing Unit Lease Types: (check 1 or more) Federal X State (and/or) Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	RED TANK: DELAWARE WEST 51689		RED TANK: BONE SPRING 51683
2. Top and Bottom of Pay Section (Perforations)	8343' - 8548'		8820' - 8866'
3. Type of production (Oil or Gas)	OIL		OIL
4. Method of Production (Flowing or Artificial Lift)	ARTIFICIAL LIFT		ARTIFICIAL LIFT
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 300 psi Producing (estimated)	a.	a. 1000 psi SI (estimated)
	b. (Original) 3218 psi SI	b.	b. 3637 psi SI
6. Oil Gravity (API) or Gas BTU Content	40.4		42.1
7. Producing or Shut-in?	PRODUCING		SHUT IN
Production Marginal? (yes or no) * If Shut-In, give date and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	NO		YES
	Date: 5-16-99 Rates: 33 BO, 184 BW, 51 MCF	Date: Rates:	Date: 2-6-99 Rates: 2 BO, 0 BW, 48 MCF
	Date: Rates:	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: 94% Gas: 52%	Oil: % Gas: %	Oil: 6% Gas: 48%

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? Yes ___ No
If not, have all working, overriding, and royalty interests been notified by certified mail? ___ Yes ___ No
Have all offset operators been given written notice of the proposed downhole commingling? Yes ___ No

11. Will cross-flow occur? ___ Yes No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ___ Yes ___ No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? Yes ___ No

13. Will the value of production be decreased by commingling? ___ Yes No (If Yes, attach explanation)

14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. Yes ___ No

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S) _____

16. ATTACHMENTS:

- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation method or formula.
- * Notification list of all offset operators.
- * Notification list of working, overriding, and royalty interests for uncommon interest cases.
- * Any additional statements, data, or documents required to support commingling.

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

SIGNATURE: Ron D. Gasser TITLE: Div. Petr. Engr. Mgr. DATE: 6-4-99
TYPE OR PRINT NAME: Ron D. Gasser TELEPHONE NO. (915) 685-8100

DISTRICT I

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

DISTRICT II

OIL CONSERVATION DIVISION

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Operator Covington A Federal 10 Address O, Sec 25, T-22-S, R-32-E Lea

Lease Well No. Unit Ltr. - Sec - Twp - Rge County

OGRID NO. 17891 Property Code 9316 API NO. 30-025-32581 Spacing Unit Lease Types: (check 1 or more) Federal X State (and/or) Fee

Table with 4 columns: The following facts are submitted in support of downhole commingling, Upper Zone, Intermediate Zone, Lower Zone. Rows include Pool Name and Pool Code, Top and Bottom of Pay Section (Perforations), Type of production (Oil or Gas), Method of Production (Flowing or Artificial Lift), Bottomhole Pressure (Oil Zones - Artificial Lift, Gas & Oil - Flowing, Measured Current, All Gas Zones: Estimated Or Measured Original), Oil Gravity (API) or Gas BTU Content, Producing or Shut-In?, Production Marginal? (yes or no), and Fixed Percentage Allocation Formula.

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? Yes No
If not, have all working, overriding, and royalty interests been notified by certified mail? Yes No
Have all offset operators been given written notice of the proposed downhole commingling? Yes No

11. Will cross-flow occur? Yes No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. Yes No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? Yes No

13. Will the value of production be decreased by commingling? Yes No (If Yes, attach explanation)

14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. Yes No

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- * Notification list of working, overriding, and royalty interests for uncommon interest cases.
- * Any additional statements, data, or documents required to support commingling.

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

SIGNATURE: [Signature] TITLE: Div. Petr. Engr. Mgr. DATE: 6-4-99
TYPE OR PRINT NAME: Ron D. Gasser TELEPHONE NO. (915) 685-8100

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer 80, Artesia, NM 86211-0719

OIL CONSERVATION DIVISION

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

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-32581	Pool Code 51689	Pool Name Red Tank Delaware West
Property Code 9316	Property Name COVINGTON "A" FEDERAL	Well Number 10
OGRID No. 017891	Operator Name POGO PRODUCING COMPANY	Elevation 3772

Surface Location

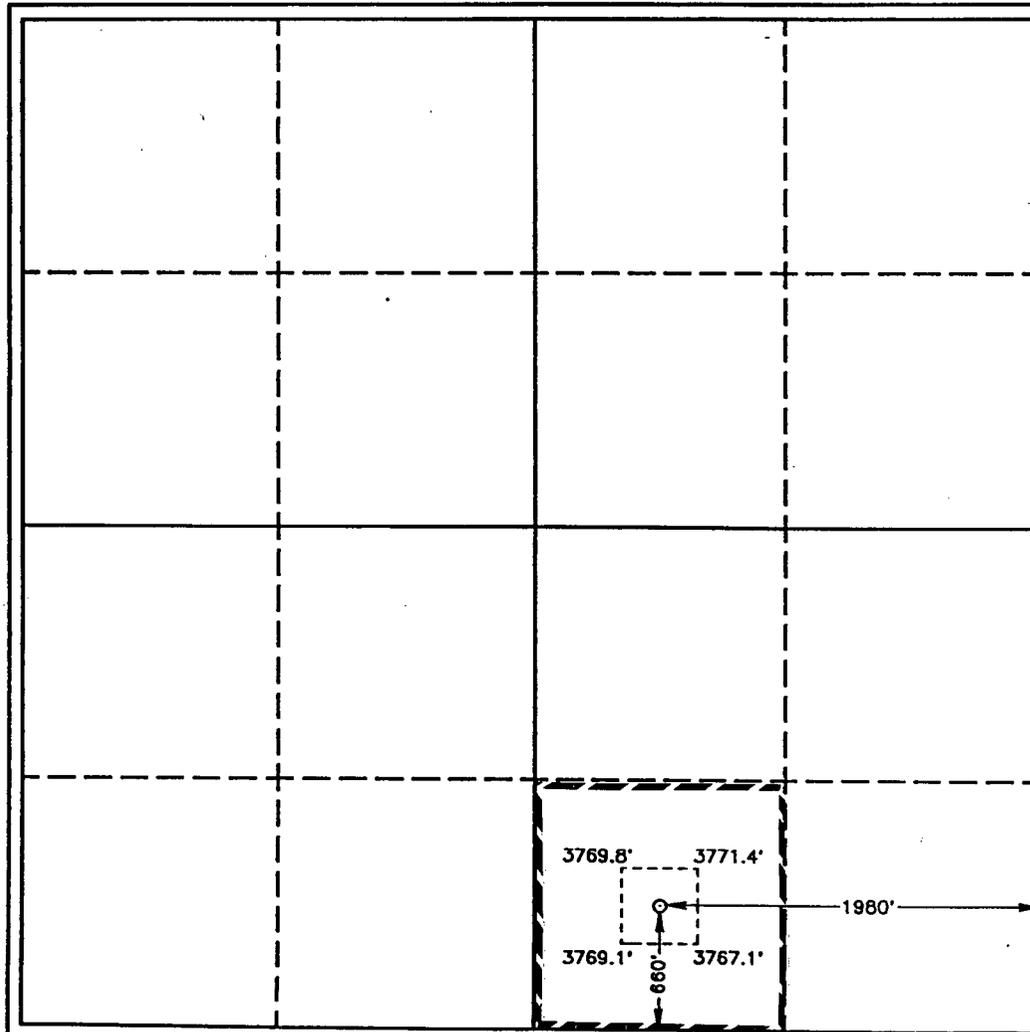
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	25	22 S	32 E		660	SOUTH	1980	EAST	LEA

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 40	Joint or Infill	Consolidation Code	Order No.
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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 the the information contained herein is true and complete to the best of my knowledge and belief.

Cathy Tomberlin
Signature

Cathy Tomberlin
Printed Name

Operations Technician
Title

3/19/99
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.

MAY 1, 1995

Date Surveyed JLP

Signature & Seal
Professional Surveyor
5-4-95

W.O. Num. 95-41-0705

W. WEST, 676
RONALD J. EIDSON, 3239
GARY G. EIDSON, 12641

DISTRICT I
P.O. Box 1988, Hobbs, NM 88241-1988

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer ED, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-32581	Pool Code 51683	Pool Name UNDES. RED TANK BONE SPRINGS
Property Code 9316	Property Name COVINGTON "A" FEDERAL	Well Number 10
OGED No. 17891	Operator Name POGO PRODUCING COMPANY	Elevation 3772

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	25	22 S	32 E		660	SOUTH	1980	EAST	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 40	Joint or Infill N	Consolidation Code	Order No.
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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>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Richard L. Wright</i> Signature</p> <p>Richard L. Wright Printed Name</p> <p>Division Operations Mgr. Title</p> <p>May 8, 1995 Date</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>Date Surveyed: MAY 4 1995</p> <p>Signature & Seal of Professional Surveyor: <i>Ronald J. Eidson</i></p> <p>W. B. Num. 95-15-0705</p>
	<p>Certification No. 676 RONALD J. EIDSON, 3239 GARY G. EIDSON, 12841</p>

DHC-2529



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

GOVERNOR

11/19/99

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

- MC _____
- DHC _____
- NSL _____
- NSP _____
- SWD _____
- WFX _____
- PMX _____

Gentlemen:

I have examined the application for the:

Pogo Producing Co Covington A Federal # 10-0-25-225-32e
 Operator Lease & Well No. Unit S-T-R API # 30-025-32581

and my recommendations are as follows:

OK-

Yours very truly,

Chris Williams
Supervisor, District 1

/ed