

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]

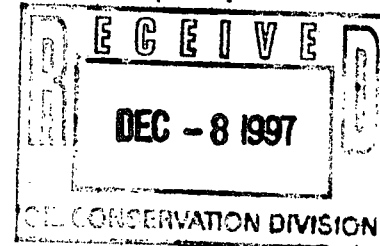
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[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

Print or Type Name

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

James Bruce
 Signature

Attorney in
 Title

12/8/97
 Date

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)

December 8, 1997

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") hereby applies for administrative approval of an unorthodox oil well location for the following well:

Patton "17" Fed. Well No. 7
2075 feet FNL & 2600 feet FWL
SW $\frac{1}{4}$ NE $\frac{1}{4}$ S17, Township 24 South, Range 31 East, NMPM
Eddy County, New Mexico

Attached as Exhibit A is an APD (Bureau of Land Management Form 3160-3) for the well, and attached as Exhibit B is a Form C-102. These forms have been filed with and approved by the Bureau of Land Management. The well will be drilled to a depth sufficient to test the Bone Spring formation. Pogo also requests approval of an unorthodox location for the Delaware formation (Poker Lake-Delaware Pool). Well spacing is 40 acres for both formations.

The proposed location is based upon geological reasons. Attached as Exhibit C is a structure map on top of the Brushy Canyon Sand marker. The proposed location is based on well control. Based on subsurface mapping, the location is interpreted to be at the highest structural position in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ spacing unit, and in the most favorable reservoir trend. This location provides the best chance to successfully encounter potential Brushy Canyon pay. The further south and west the well is located in the spacing unit, the higher the chance it will be a commercially viable well. Thus, placing the well at its proposed location substantially reduces the risk involved in drilling the well.


Submitted as Exhibit D is a land plat of the subject area, with the

location of the proposed well marked thereon. All of Section 17 is subject to federal lease NM 89172. Pogo operates all of Section 17 from the surface to the base of the Bone Spring formation. In addition, working, royalty, and overriding royalty interest ownership is common throughout Section 17 as to the above-described depths. As to working interest, Pogo owns 60% and Burlington Resources Oil & Gas Company owns 40%.

Since interest ownership is common in the proposed well unit and in offsetting acreage, notice is not required to be given to any offset owner. As a result, Pogo requests that the 20 day waiting period be waived.

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

cc: T. Gant

OPERATOR'S COPY

Form 3160-3
(July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE.
(Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

1997 MAY 28

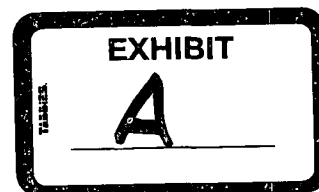
BUREAU OF LAND MANAGEMENT
ROSWELL OFFICE

APPLICATION FOR PERMIT TO DRILL OR DEEPEN				LEASE DESIGNATION AND SERIAL NO. N-89172	
1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				7. UNIT AGREEMENT NAME	
2. NAME OF OPERATOR Pogo Producing Company				8. FARM OR LEASE NAME, WELL NO. Patton "17" Federal No. 7	
3. ADDRESS AND TELEPHONE NO. P.O. Box 10340				9. API WELL NO.	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At surface 2075' FNL & 2600' FEL of Section 17 UNORTHODOX LOCATION: At proposed prod. zone Same Subject to Liko Approval By State				10. FIELD AND POOL, OR WILDCAT Wildcat (Bone Springs)	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE. 10 miles southeast of Loving, New Mexico				11. SEC., T., R., OR BLK. AND SURVEY OR AREA Section 17, T-24S, R-31E	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 2075'		16. NO. OF ACRES IN LEASE 640		17. NO. OF ACRES ASSIGNED TO THIS WELL 40	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1320'		19. PROPOSED DEPTH 9700'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3530' Ground Level				22. APPROX. DATE WORK WILL START* Upon Approval	
23. PROPOSED CASING AND CEMENTING PROGRAM					
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
17-1/2"	13-3/8" H-40	48#	650'	750 sx Class "C" (Circulate)	
11"	8-5/8" J-55	24, 32#	4,200'	1500 sx (Circulate)	
7-7/8"	5-1/2" J-55, N-80	15.5, 17#	9700'	1400 sx (3200') "H"	

The Operator proposes to drill to a depth sufficient to test the Delaware and Bone Springs for oil. Specific programs are outlined in the following attachments:

DRILLING PROGRAM
SURFACE USE AND OPERATING PLAN
EXHIBIT "A" - ROAD MAP
EXHIBIT "B" - EXISTING WELL MAP
EXHIBIT "C" - LOCATION AND DEDICATION PLAT
EXHIBIT "C-1" - TOPO MAP
EXHIBIT "D" - DRILLING RIG LAYOUT
EXHIBIT "E" - 3M BOP EQUIPMENT

Approval Subject to
General Requirements and
Special stipulations
Attached



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 deeper directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED *James H. C. Raley* TITLE Agent DATE 5/25/97
(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 entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY *Robert J. Lueder* TITLE Acting State Director DATE 10-15-97

*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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

RECEIVED

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS NOV 17 1997

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-89172
2. Name of Operator Pogo Producing Company	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P. O. Box 10340, Midland, TX 79702-7340 (915)682-6822	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2075' FNL & 2600' FEL, Section 17, T24S, R31E	8. Well Name and No. Patton 17 Federal #7
	9. API Well No.
	10. Field and Pool, or Exploratory Area Wildcat (Bone Spring)
	11. County or Parish, State Eddy County, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Pogo Producing Company wishes to inform BLM that the drilling rig currently drilling the above captioned well has 5000 psi W.P. well control equipment. The drilling of this well requires 2000 psi W.P. equipment as indicated by the minimum BOP test pressure found in the onshore order. The test pressure for the Delaware portion of the hole is equal to .22 x 8500' or 1870 psi. Pogo request that 2000 psi W.P. equipment requirements be sufficient for the drilling of this.

14. I hereby certify that the foregoing is true and correct

Signed Richard L. Wright

Title Division Operations Manager

Date 11/10/97

(This space for Federal or State office use)

Approved by Chas. A. Lipe

Title PETROLEUM ENGINEER

Date 11/14/97

Conditions of approval, if any:

DISTRICT I
P.O. Box 1960, Hobbs, NM 88241-1960

DISTRICT II
P.O. Drawer 122, Artesia, NM 88211-0719

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

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

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

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Undesignated (Bone Springs)
Property Code	Property Name	Well Number
	PATTON 17 FEDERAL	7
OGRID No. 017891	Operator Name	Elevation
	POGO PRODUCING COMPANY	3530

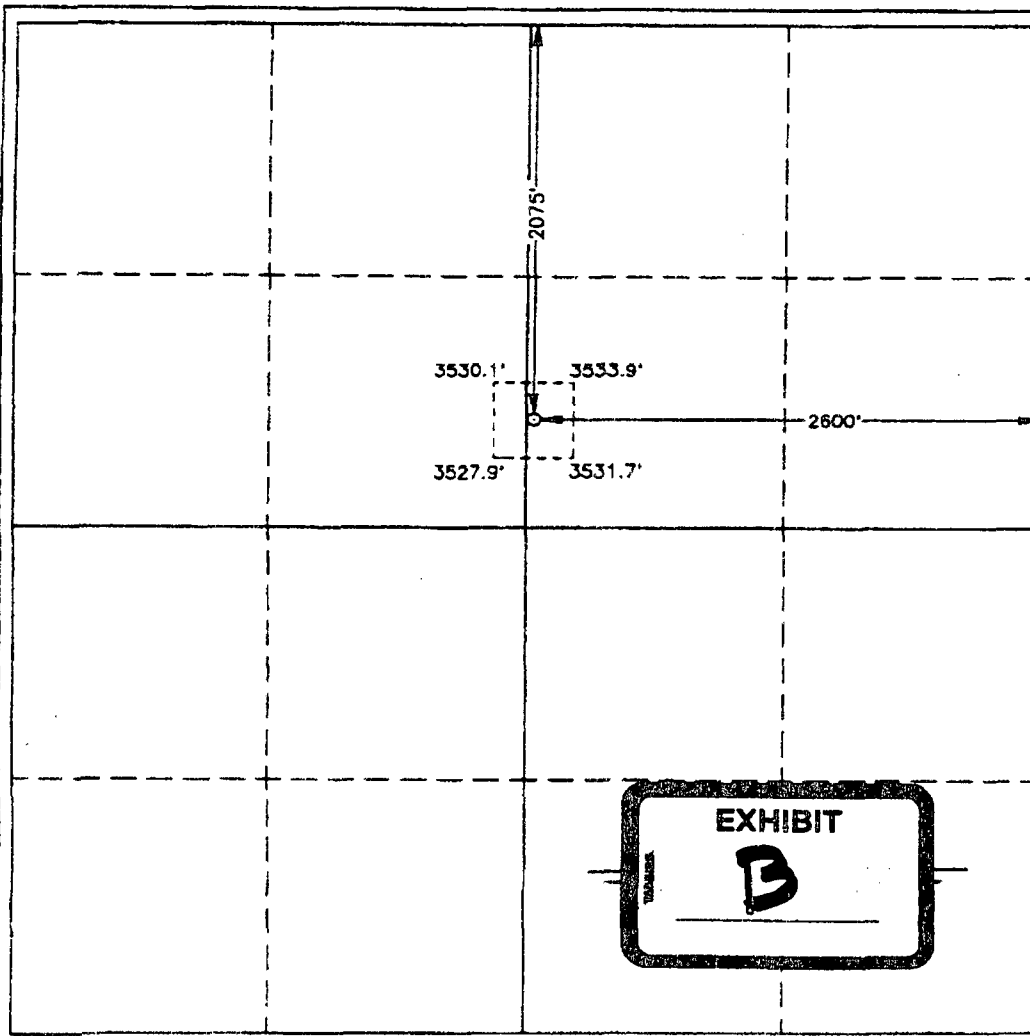
Surface Location

UL or lot No.	Section	Township	Range	Lot 14n	Feet from the	North/South line	Feet from the	East/West line	County
G	17	24 S	31 E		2075	NORTH	2600	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot 14n	Feet from the	North/South line	Feet from the	East/West line	County
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



EXHIBIT

B

OPERATOR CERTIFICATION

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

James M.C. Ritchie, Jr.
Signature
James M.C. Ritchie, Jr.

Printed Name
Agent

Title
05/25/97

Date

SURVEYOR CERTIFICATION

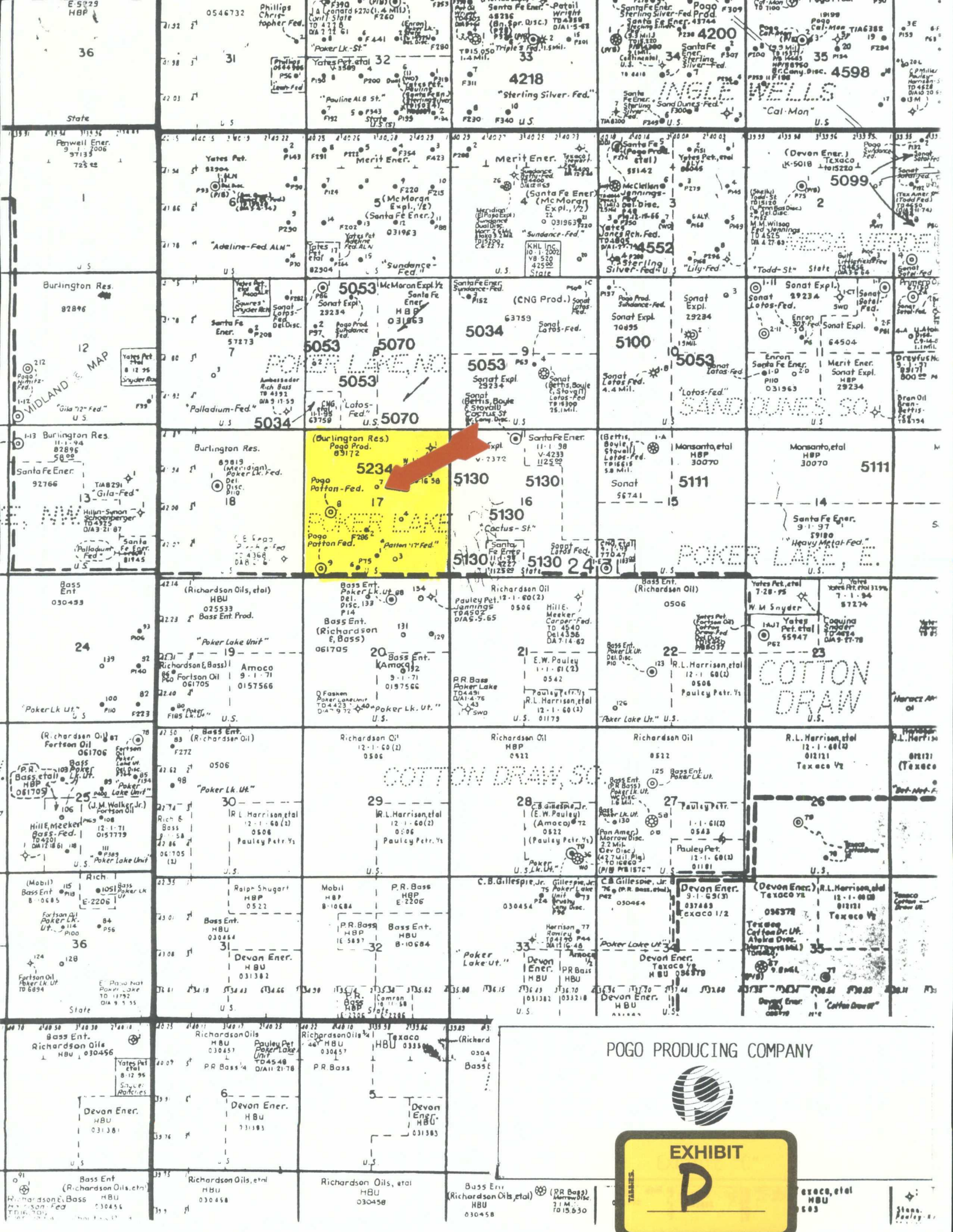
I hereby certify that the well location shown
on this plat was plotted from field notes of
actual surveys made by me or under my
supervision, and that the same is true and
correct to the best of my belief.

APRIL 30, 1997

Date Surveyed JLP
Signature & Seal of
Professional Surveyor

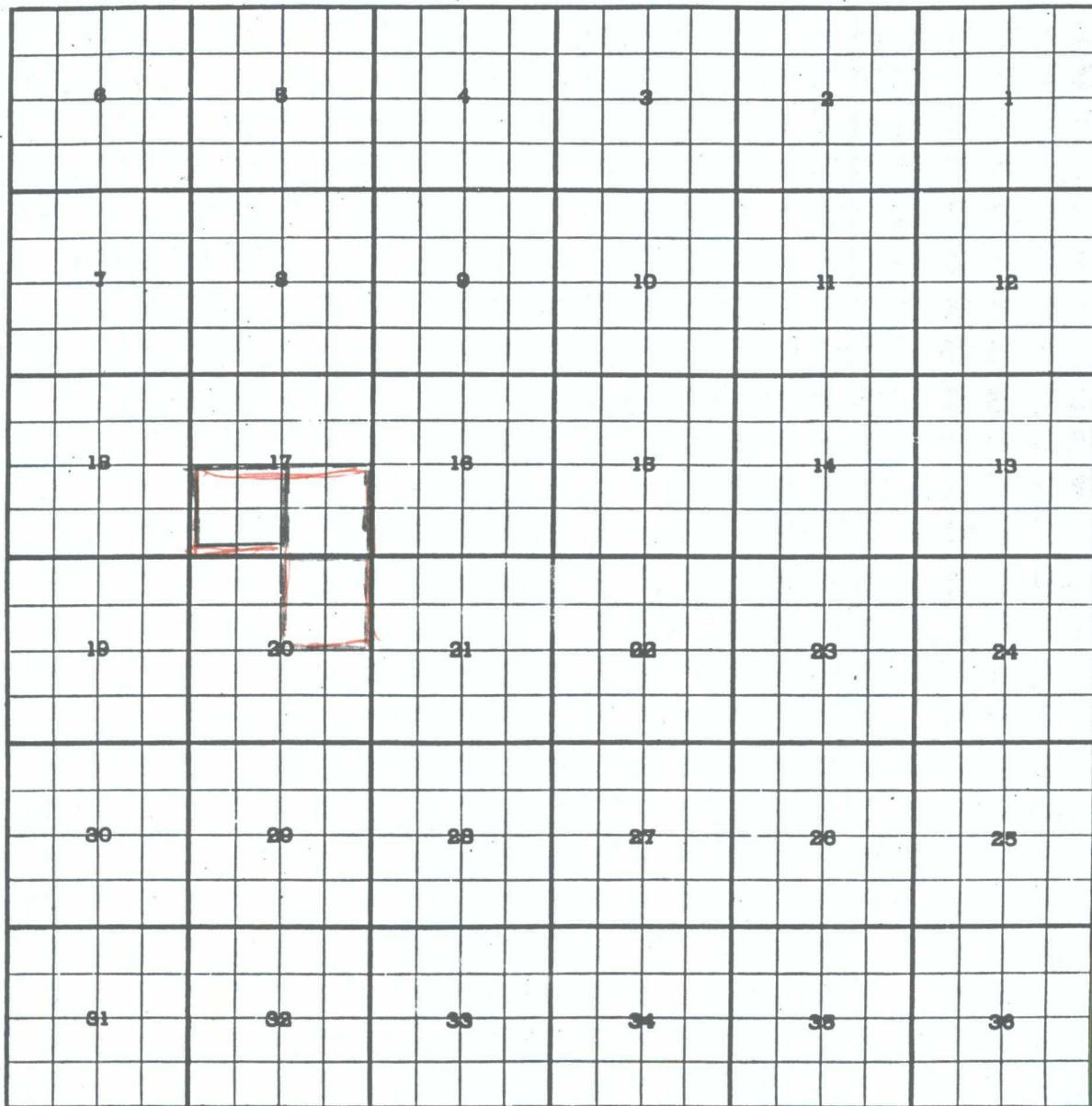
Ronald E. Eidsen
W.O. Num 97-11-0757

Certificate No. JOHN W. WEST, 676
RONALD E. EIDSON, 3239
RONALD E. EIDSON, 12041



County Eddy Pool Poker Lake - Delaware

TOWNSHIP 24 South, RANGE 31 East, NEW MEXICO PRINCIPAL MERIDIAN



DESCRIPTION: NE/4 SEC 20 (R-8592, 1/25/88) Ext. SE/4 Sec. 17 (R-10822, 6-16-97)
Ext. SW/4 Sec. 17 (R-10855, 8-11-92)