

DATE IN 2-19-04	SUSPENSE 03-10-04	ENGINEER MS	LOGGED IN ms	TYPE NSL	P.M.E.S.O. APP NO. 407753144
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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



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]

[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

James Bruce
Signature

Attorney for Applicant
Title

19
2/18/04
Date

jamesbruc@aol.com
e-mail Address

RECEIVED
FEB 19 2004
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

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

February 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 locations for the following eight wells:

<u>Well:</u>	Lost Tank "3" Federal Well No. 14
<u>Location:</u>	1450 feet FSL & 1710 feet FEL
<u>Well Unit:</u>	NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 3, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico
<u>Well:</u>	Lost Tank "3" Federal Well No. 20
<u>Location:</u>	2500 feet FSL & 2250 feet FEL
<u>Well Unit:</u>	NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 3, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico
<u>Well:</u>	Lost Tank "3" Federal Well No. 21
<u>Location:</u>	2500 feet FNL & 450 feet FWL
<u>Well Unit:</u>	SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 3, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico
<u>Well:</u>	Lost Tank "3" Federal Well No. 22
<u>Location:</u>	2500 feet FNL & 1850 feet FWL
<u>Well Unit:</u>	SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 3, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico
<u>Well:</u>	Lost Tank "4" Federal Well No. 8
<u>Location:</u>	2490 feet FNL & 500 feet FEL
<u>Well Unit:</u>	SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

Well: Lost Tank "4" Federal Well No. 9
Location: 2610 feet FNL & 1850 feet FEL
Well Unit: SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

Well: Lost Tank "4" Federal Well No. 10
Location: 2610 feet FNL & 2310 feet FWL
Well Unit: SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 4, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

~~Well: ²⁶¹⁰ Lost Tank "4" Federal Well No. 11
Location: ~~2410~~ feet FNL & 990 feet FWL
Well Unit: SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 4, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico~~

The wells will be drilled to test the Delaware formation (Designated and Undesignated West Lost Tank-Delaware Pool), which is developed on statewide rules. Form C-102's for the eight wells are attached as Exhibit A.

In addition, simultaneous dedication approval is requested for the following wells:

Wells: Lost Tank "3" Federal Well Nos. 14 and 20
Well Unit: NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 3

Wells: Lost Tank "3" Federal Well Nos. 4 and 21
Well Unit: SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 3

Wells: Lost Tank "3" Federal Well Nos. 3 and 22
Well Unit: SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 3

Wells: Lost Tank "4" Federal Well Nos. 7 and 8
Well Unit: SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4

Wells: Lost Tank "4" Federal Well Nos. 6 and 9
Well Unit: SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4

Wells: Lost Tank "4" Federal Well Nos. 5 and 10
Well Unit: SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 4

The application is based on potash, geologic, and engineering reasons. Sections 3 and 4 are within the oil-potash area of southeastern New Mexico. Most of the existing wells in Sections 3 and 4 were drilled at unorthodox locations because they were the only locations which the Bureau of Land Management ("BLM") would approve at the time.

Pogo has now applied to the BLM for approval to drill the above wells. Due to the locations of the previously approved wells, the proposed locations are needed to place wells approximately equidistant from each other. In addition, the wells are located to

take advantage of favorable geology in the primary Delaware zones. Attached as Exhibit B is a geologic discussion, with appropriate plats, supporting the application. Finally, in the event of potential pressure maintenance operations, the locations will be appropriate to take advantage of injection operations.

Attached as Exhibit C is a land plat, highlighting the well locations. All of Sections 3 and 4 are covered by United States Oil and Gas Lease NM 0417696, which has common royalty, overriding royalty, and working interest ownership. Because all of the locations are interior to the lease, there are no offset operators to notify. **As 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

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR **RECEIVED**

1a. TYPE OF WORK
 DRILL DEEPEN NOV 18 2003

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE

2. NAME OF OPERATOR
 POGO PRODUCING COMPANY (RICHARD WRIGHT 432-685-8140)

3. ADDRESS AND TELEPHONE NO.
 P.O. BOX 10340 MIDLAND, TEXAS 79702-7340 (432-685-8100)

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface
 2360' FNL & 990' FWL SECTION 4 T22S-R31E EDDY CO. NM
 At proposed prod. zone SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 Approximately 35 miles East of Carlsbad New Mexico

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest dtlg. unit line, if any) 990'

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. 800'

19. PROPOSED DEPTH 8250'

20. ROTARY OR CABLE TOOLS ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3422' GR.

22. APPROX. DATE WORK WILL START WHEN APPROVED

5. LEASE DESIGNATION AND SERIAL NO.
 NM-0417696

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME WELL NO.
 LOST TANK "4" FEDERAL # 11

9. AP WELL NO.

10. FIELD AND POOL OR WILDCAT
 LOST TANK DELAWARE WEST

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 SECTION 4 T22S-R31E

12. COUNTY OR PARISH EDDY CO.

13. STATE NEW MEXICO

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor 20"	NA	40'	Cement to surface with Redi-mix
17 1/2"	H-40 13 3/8"	48	800'	950 Sx. circulate to surface
11"	J-55 8 5/8"	32	4200'	1500 Sx. " " "
7 7/8"	J-55 5 1/2"	17 & 15.5	8250'	1650 Sx. 3 Stage TOC surface.

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17 1/2" hole to 800'. Run and set 800' of 13 3/8" 48# H-40 ST&C casing. Cement with 950 Sx. of Class "C" cement + 2% CaCl, + 1/2# Flocele/Sx. Circulate cement to surface.
3. Drill 11" hole to 4200'. Run and set 4200' of 8 5/8" 32# J-55 ST&C casing. Cement with 1500 Sx. of Class "C" cement + 2% CaCl, + 1/2# Flocele/Sx. Circulate cement to surface.
4. Drill 7 7/8" hole to 8250'. Run and set 8250' of 5 1/2" casing as follows: 2250' of 5 1/2" 17# J-55 LT&C, 5000' of 5 1/2" 15.5# J-55 LT&C, 1000' of 5 1/2" 17# J-55 LT&C. Cement in 3 stages with DV Tools at 6100' & 3700'±. Cement 1st stage with 650 Sx. of Class "H" cement + additives, 2nd stage cement with 600 Sx. of Class "C" cement + additives, cement 3rd stage with 400 Sx. of Class "C" cement + 2% CaCl, circulate cement to surface.

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

SIGNED Joe Janice TITLE Agent DATE 11/17/03

(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:

Exh. 2 "A"

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

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.

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 DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number	Pool Code 96582	Pool Name LOST TANK DELAWARE-WEST
Property Code	Property Name LOST TANK "4" FEDERAL	Well Number 11
OGRID No. 17891	Operator Name POGO PRODUCING COMPANY	Elevation 3422'

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	4	22-S	31-E		2360'	NORTH	990'	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	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

<p>LOT 4</p> <p>39.97 AC</p> <p>2360'</p> <p>3420.6'</p> <p>990'</p> <p>3420.6'</p>	<p>LOT 3</p> <p>39.85 AC</p>	<p>LOT 2</p> <p>39.75 AC</p> <p>GEODETIC COORDINATES NAD 27 NME Y = 517382.1 N X = 668364.1 E LAT. 32°25'16.38"N LONG. 103°47'15.75"W</p>	<p>LOT 1</p> <p>39.63 AC</p>	<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>Joe T Janica</i> Signature Joe T Janica Printed Name Agent Title 11/17/03 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>October 27, 2003 Date Surveyed A.W.B.</p> <p><i>Gary E. Edson</i> Signature & Seal Professional Surveyor NEW MEXICO 03.11.1187 CERTIFICATE No. GARY EDSON 12641</p>
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Pogo Producing Company
Application for Unorthodox Locations
Lost Tank West Delaware Field
Eddy County, New Mexico

Proposed Unorthodox locations in section 3:

Lost Tank "3" Federal #14 (1450' fsl, 1710' fel, section 3, T22S, R31E)
Lost Tank "3" Federal #20 (2500' fsl, 2250' fel, section 3, T22S, R31E)
Lost Tank "3" Federal #21 (2500' fsl, 450' fwl, section 3, T22S, R31E)
Lost Tank "3" Federal #22 (2500' fsl, 1850' fwl, section 3, T22S, R31E)

Proposed Unorthodox locations in section 4:

Lost Tank "4" Federal #8 (2490' fsl, 500' fel, section 4, T22S, R31E)
Lost Tank "4" Federal #9 (2610' fsl, 1850' fel, section 4, T22S, R31E)
Lost Tank "4" Federal #10 (2610' fsl, 2310' fwl, section 4, T22S, R31E)
~~Lost Tank "4" Federal #11 (2410' fsl, 990' fwl, section 4, T22S, R31E)~~

Summary

2360

Pogo Producing Company is requesting permission to drill 8 Delaware Formation tests at unorthodox locations in its Lost Tank West Field. Granting of these locations will allow Pogo to develop its remaining acreage in section 3 and section 4 with optimal spacing between the proposed locations and existing locations.

Discussion

The unusual spacing of the existing wells in Pogo's acreage in the north half of section 3 and the north half of section 4 is a result of its proximity to potential potash reserves. Discussions between Pogo Producing Company and the BLM have resulted in Pogo being granted permission to continue developing the south halves of sections 3 and 4. In order to optimize well spacing in the remaining undeveloped portions of these sections, it is necessary to drill 8 of the remaining 21 development wells at unorthodox locations.

The Lost Tank West Delaware Field produces from several of the Delaware Sands. Two of the more prolific sands in this field are the Lower Brushy "A" Sand, and the Middle Brushy "F" Sand. The proposed unorthodox locations will optimize well spacing, thus providing an opportunity for better oil and gas recovery from these two productive sands.

Brushy "A" Geology

Exhibit 1 shows the structural elevation on the top of the Brushy "A" zone (gray contours). Structure dips regionally to the southeast at an average rate of 100' per mile. The colorfilled contours show the net sand thickness of main pay sand within the Brushy "A" zone (BC4 Sand). This Brushy "A" interval is interpreted as a submarine sand channel that trends in a northeast-southwest direction through sections 3 and 4, with net pay thickness ranging from 15' to 85'. The 8 proposed unorthodox locations are highlighted with green arrows.

Brushy "F" Geology

Exhibit 2 shows the structural elevation on the top of the Brushy "F" zone (gray contours). Structure dips regionally to the southeast at an average rate of 80' per mile. The color-filled contours show the net sand thickness of the main pay sand within the Brushy "F" zone. The Brushy "F" sand consists of a series of northeast-southwest-trending over-bank splays that originate from a large channel located 2 1/2 miles east of section 3. Pogo expects to encounter up to 30 feet of productive net sand in the eastern locations, with pay thickness diminishing in locations toward the west.



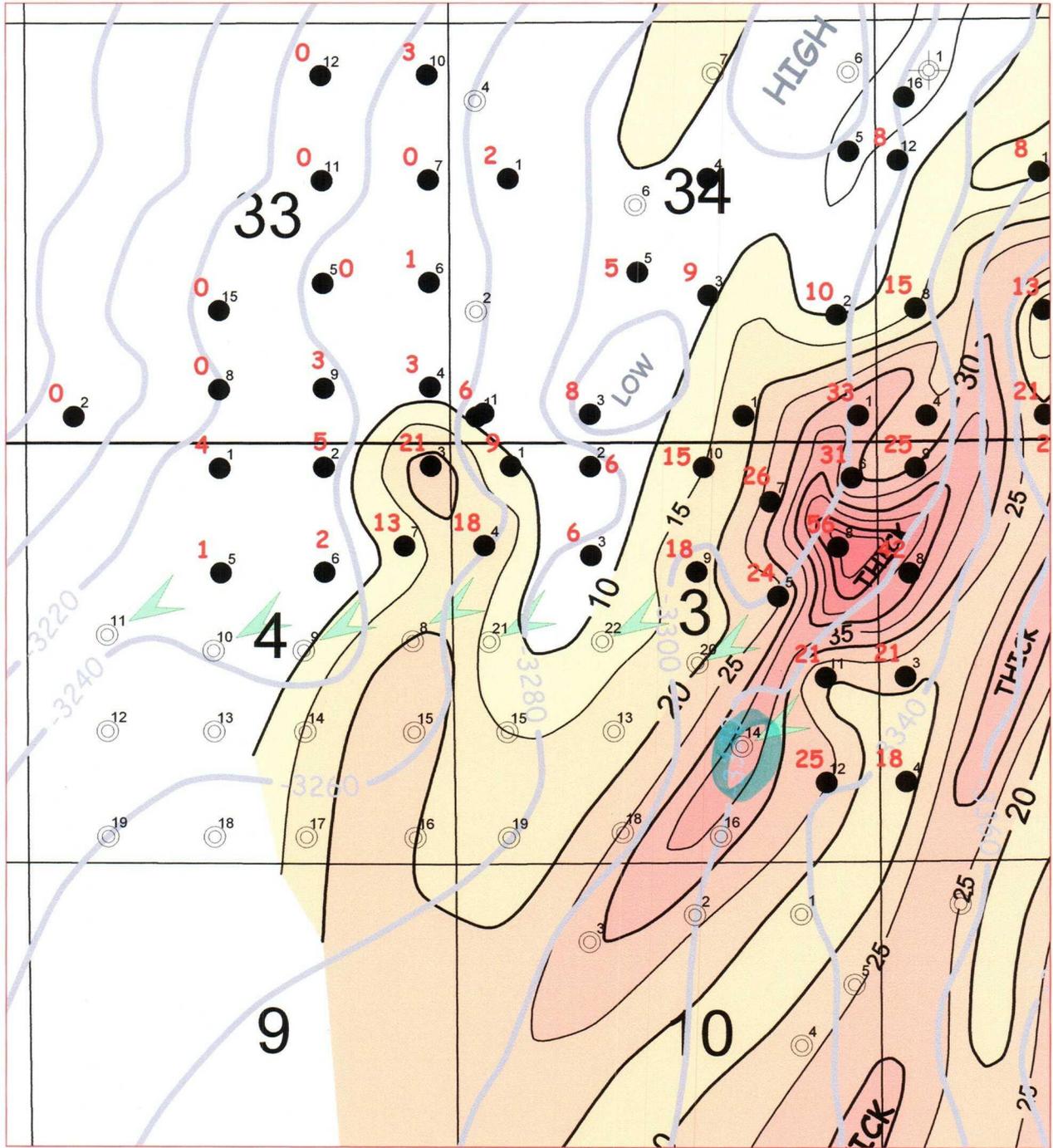


Exhibit 2

POGO PRODUCING COMPANY
 Western Division Midland, Texas

Lost Tank West Field
 Structure Top Brushy "F" Zone
 Isopach Brushy "F" Net Porosity
 Eddy County, New Mexico

WEH		lt_bcf_ood.gmp
1/15/04	Project: Livingston Ridge Sand Dunes	

Mark Smith & Bass Sons (S)
 8 P
 523T
 (Phillips 1/2 Pogo 1/2)
 32
 Devon Ener.
 12-1-2002
 V. 5205
 3109L
 State (3-1-2006)

(Phillips 1/2) Pogo Prod.
 96231
 12 P55
 10 F156
 17
 33
 P188 15 P523
 "Lost Tank-Fed"
 P197
 U.S.

Yates Pet. et al
 4 v. 4100
 Devon Ener. (Penwell Ener.)
 Shackel-Ford
 P207
 1-6869
 34
 "Lucy ALC St."
 F233 F188
 Marbob Fed.
 (Pitch Ener.) G1357
 1-8A / F187
 U.S. State

7 Yates Pet. et al
 V. 3050
 6
 5
 4 P65
 34
 "Lucy ALC St."
 F233 F188
 Marbob Fed.
 (Pitch Ener.) G1357
 1-8A / F187
 U.S. State

Pogo Pro (Phillips)
 Union Fed.
 P204 TO 2455
 D/A 10-4-81
 V. 360
 11
 12 P150
 35
 "Lost Tank"
 P150
 State U.S.

3199.95 240.00
 on Ener.
 1-2006
 96233
 05000
 5
 well No. 4
 never drilled
 U.S.

Devon Ener.
 96232
 115000
 Pogo Lost Tank Fed.
 0417696
 Del Disc P42
 F190
 4
 11
 5
 4
 7
 F267
 3
 P196
 Pogo Prod. 1/2
 (Phillips)
 139.752
 239.63
 3
 F267
 7
 8
 "Lost Tank Fed"
 U.S.

39.55
 4 (U.S.)
 3111.92
 2140.06
 7
 P318
 6
 8
 P301
 5
 P115
 11
 12
 14
 "Lost Tank Fed"
 U.S.

40.06 259.815 3139.1
 9
 P137
 Yates Pet. et al
 V. 2705
 6
 8
 P236
 "Graham AKB-S"
 2
 3
 P114
 Yates Pet. et al
 F243
 V. 2597
 4
 "Flora AKF-St."
 State U.S.

8
 U.S.

9
 U.S.

Pogo
 2
 3
 "Lost Tank Fed"
 10
 U.S.

Pogo
 "Lost Tank Fed"
 Yates Pet. et al
 65417
 "AIK"
 11
 U.S.

Gulf
 7-1-84
 21770
 17
 U.S.

16
 State
 2231

15
 v. Williams Jr
 Bowler Unit
 Fed.
 TD 15,225
 D/A 9-17-73
 U.S.

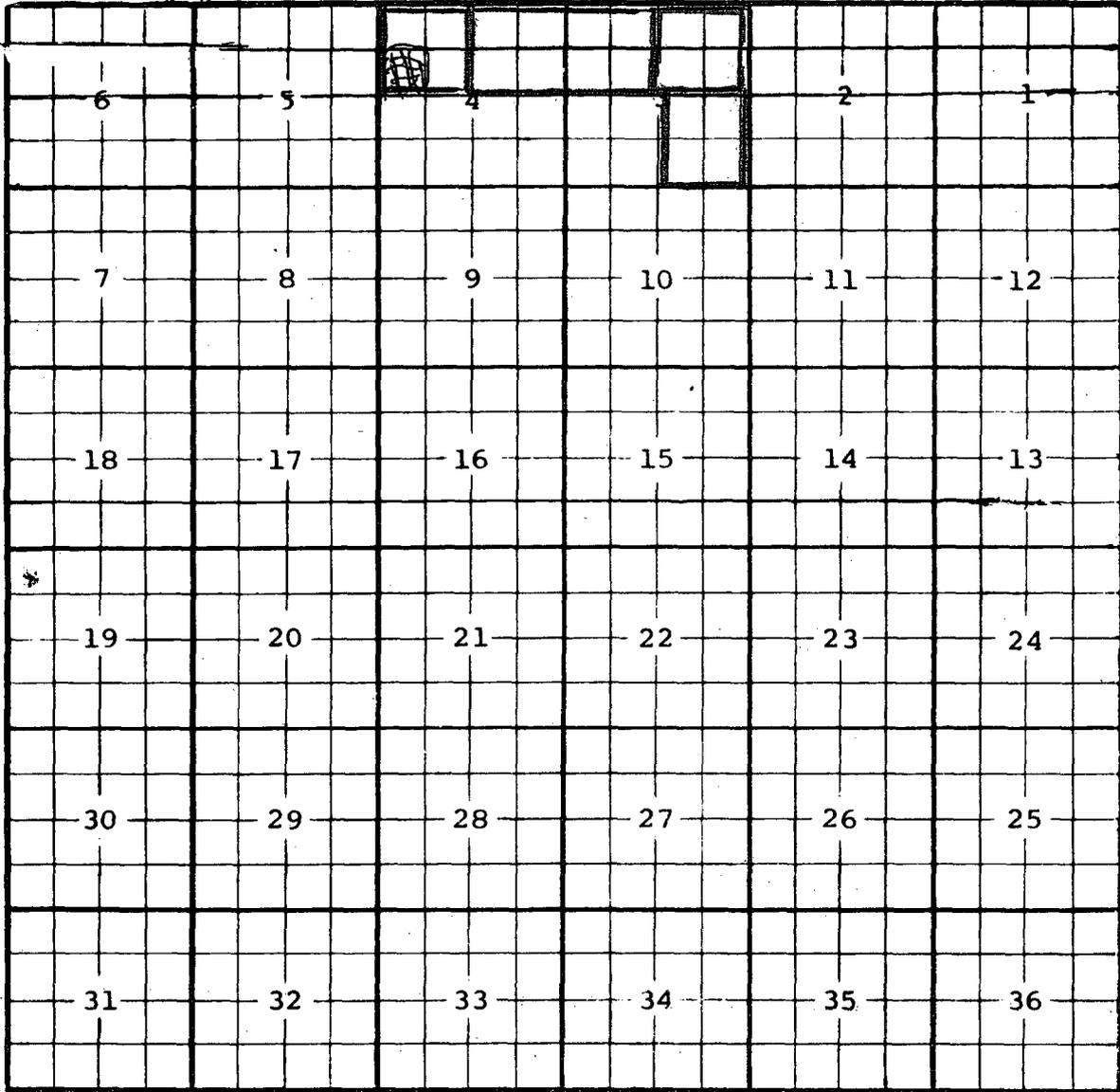
14
 U.S.



U.S.

county Eddy Pool West Lost Tank-Delaware

TOWNSHIP 22 South Range 31 East NMPM



Description: NW/4 Sec. 4 (R-10787, 4-9-97)

Ext: NW/4 Sec. 3, NE/4 Sec. 4 (R-10951, 2-4-98) Ext: NE/4 Sec. 3 (A-11384, 5-25-00)

Ext: SE/4 Sec. 3 (A-12003, 8-11-03)

CMD : ONGARD 03/17/04 14:07:05
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TQBS

OGRID Idn : 17891 API Well No: 30 15 29742 APD Status(A/C/P) : A
Opr Name, Addr: POGO PRODUCING CO Aprvl/Cncl Date : 07-10-1997
PO BOX 10340

MIDLAND, TX 79702-7340

Prop Idn: 17955 LOST TANK 4 FEDERAL Well No: 4

U/L Sec Township Range Lot Idn North/South East/West

Surface Locn : E 4 22S 31E FTG 1650 F N FTG 990 F W
OCD U/L : E API County : 15

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C) : O Cable/Rotary (C/R) : R
Lease typ(F/S/P/N/J/U/I) : F Ground Level Elevation : 3426

State Lease No: Multiple Comp (S/M/C) : N
Prpsd Depth : 8150 Prpsd Frmtn : DELAWARE

E0009: Enter data to modify record
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 PF08 PF09 PRINT PF10 C102 PF11 HISTORY PF12

Stogner, Michael

From: Stogner, Michael
Sent: Wednesday, March 17, 2004 2:18 PM
To: Jim Bruce (E-mail)
Cc: Arrant, Bryan
Subject: Pogo's proposed Lost Tank "4" Federal Well No. 11

In your recent application for Pogo, you have the proposed Lost Tank "4" Federal Well No. 11 within the 40-acre oil spacing and proration unit comprising the SW/4 NW/4 (Unit E) of Sec. 4-T22S-R31E, West Lost Tank-Delaware Pool (96582), Eddy County, NM being drilled 2410' FNL & 990' FWL. The federal APD and corresponding NMOCD Form C-102 filed by Pogo shows this well being 2360' FNL & 990' FWL of Section 4.

Which is correct? If your application is wrong, your response will be sufficient documentation for me to continue processing this request; however, if Pogo is wrong I will need an amended APD and C-102.

Thanks.

Stogner, Michael

From: JamesBruc@aol.com

Sent: Friday, March 19, 2004 11:16 AM

To: mstogner@state.nm.us

Subject: Pogo Producing Company/Lost Tank 4 Well No. 11/Unit E §4-22S-31E

Mike: The correct well location is the C-102 location: 2360' FNL & 990'FWL.

Sorry for the confusion.

Jim Bruce