

May 16, 1994

To: Offset Leasehold Operators/Interest Owner (i.e., BLM, since NE/4 NW/4 Section 21 is unleased), and Surface Owner (See Attached Addressee List)

Re: Application for Authorization to Inject DiMaggio Well No. 1
1650' FSL & 1693' FEL Section 16,
T-26-S, R-29-E, N.M.P.M.
Eddy County, New Mexico
Pogo's NM-525, N.E. Red Bluff Prospect

Gentlemen:

By Application dated May 6, 1994, Pogo Producing Company has applied to the New Mexico Oil Conservation Division ("NMOCD") for administrative approval of authorization to inject (i.e., dispose of) saltwater into the referenced well. A copy of the Application (NMOCD's Form C-108) submitted by Pogo to the Division is enclosed for your information and files.

If you do not object to the above-mentioned administrative application and are willing to waive the fifteen (15) day notice/objection period referred to hereinbelow, please indicate same by signing this letter in the space provided below and returning one (1) signed copy of this letter to me by the earliest possible date. However, if you object to and/or want to have this matter heard at a hearing with the NMOCD, you must file your objections and/or requests for a hearing of the above-mentioned administrative application within fifteen (15) days of the date of this letter.

Thank you for your assistance in this matter. If you have any questions, please call.

Yours very truly,

POGO PRODUCING COMPANY

R. Scott McDaniel Senior Landman

RSM:lf\c:Maggio

Offset Leasehold Operators and Surface Owner May 16, 1994 Page Two

The undersigned hereby waives objection to the above-mentioned Administrative Application for Authorization to Inject (i.e., dispose of) salt water into the referenced well and to the fifteen (15) day notice/objection period required by NMOCD rules and regulations.

STATE OF NEW MEXICO
By:
Name/Title:
Date:
UNITED STATES OF AMERICA
By:
By:Name/Title:
Date:
YATES PETROLEUM CORPORATION
By:Name/Title:
Name/Title:
Date:
TIDE WEST OIL COMPANY
By:
Name/Title:
Date:
MOBIL PRODUCING TEXAS & NEW MEXICO INC.
By:
By:Name/Title:
- 1

Addressee List Attached to Letter Dated May 16, 1994

EXPRESS MAIL - RETURN RECEIPT REQUESTED

State of New Mexico
310 Old Santa Fe Trail, Rom 202
Santa Fe, New Mexico 87501
Attention: Ms. Zilla Porter Padilla
Director - Commercial Resources,
Leasing and Development

EXPRESS MAIL - RETURN RECEIPT REQUESTED

Tide West Oil Company
6666 South Sheridan, Suite 250
Tulsa, Oklahoma 74133
Attention: Ms. Kim Goss
Land Manager

EXPRESS MAIL - RETURN RECEIPT REQUESTED

Mobil Producing Texas & New Mexico Inc. 12450 Greenspoint Drive Houston, Texas 77060-1991 Attention: Ms. Karen Bowman

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

United States of America
c/o Bureau of Land Management
Carlsbad Resource Area
P. O. Box 1778
Carlsbad, New Mexico 88221
Attention: Mr. Ron Dunton
Assistant Area Manager

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210 Attention: Mr. Randy G. Patterson Land Manager



VIA FAX (505) 885-1066 AND MAIL

May 16, 1994

Carlsbad Current-Argus
620 South Main
Carlsbad, New Mexico 88220
Attention: Ms. Carmen Flinn
Classified Department

Re: DiMaggio Well No. 1

1650' FSL & 1693' FEL Section 16,

T-26-S, R-29-E, N.M.P.M. Eddy County, New Mexico

Pogo's NM-525, N.E. Red Bluff Prospect

Ladies and Gentlemen:

As recently discussed with your Ms. Carmen Flinn, attached is a copy of a Legal Notification, concerning the referenced well. Pogo requests this Notification be advertised in your newspaper on the earliest possible date, which, according to Ms. Flinn, will be either Wednesday or Thursday of this week.

Please provide the undersigned with proof of publication, which should include a copy of the legal advertisement. Also, please advise as to the amount you require for such service.

If you have any questions, please contact the undersigned.

Yours very truly,

POGO PRODUCING COMPANY

R. Scott McDaniel Senior Landman

RSM:lf\c:Argus53

Attachment

Public Notice

Application for Authorization to Inject Saltwater

Pogo Producing Company, P. O. Box 10340, Midland, Texas 79702-7340 (Contact - Richard L. Wright at 915/682-6822) has applied to the New Mexico Oil Conservation Division for Administrative Approval for Authorization to inject saltwater into its DiMaggio Well No. 1, located 1650' FSL and 1693' FEL of Section 16, T-26-S, R-29-E, N.M.P.M., Eddy County, New Mexico. The purpose of such well will be to dispose of saltwater produced from Pogo's nearby wells. The injection interval will be in the Bell Canyon and Upper Cherry Canyon formations, between 2,900'-4,100' beneath the surface, with an anticipated maximum injection rate of approximately 3,000 BWPD and an estimated maximum injection pressure of 725 psi. Any interested parties must file objections or requests for a hearing with the New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87504-2088 within fifteen (15) days from the date of this advertisement.



OVERNIGHT MAIL

May 18, 1994

New Mexico Oil Conservation Division 310 Old Santa Fe Trail Santa Fe, New Mexico 87501 Attention: Mr. David R. Catanach

Re: Application for Authorization to Inject

DiMaggio Well #1

1650' FSL and 1693' FEL Section 16,

T-26-S, R-29-E, N.M.P.M. Eddy County, New Mexico

Pogo's NM-525, N.E. Red Bluff Prospect

Gentlemen:

As I discussed with your Mr. David R. Catanach on this date, enclosed is an original and one (1) copy of Application for Authorization to Inject (NMOCD's Form C-108) dated May 6, 1994, concerning the conversion of the referenced well to a saltwater disposal well. Pogo requests that this application be given administrative approval by the earliest possible date.

Accordingly, Pogo has notified all offset leasehold operators within a one-half (1/2) mile radius of the above-mentioned well, as well as the owner of the surface upon which such well is located, of its intention to convert such well to a saltwater disposal well. Also, Pogo has requested that the Carlsbad Current-Argus, a newspaper published and distributed daily at the City of Carlsbad, New Mexico, print a Public Notice concerning this conversion of such well on or before May 19, 1994. A copy of the notice letter to offset operators and others, and the Public Notice, are enclosed herewith. Upon receipt of all proof of mailing and legal publication, a copy of same will be forwarded to you, so you can proceed with securing administrative approval of Pogo's above-mentioned application.

New Mexico Oil Conservation Division DiMaggio Well No. 1 May 18, 1994 Page Two

Thank you for your assistance in this matter. If you have any questions, please call.

Yours very truly,

POGO PRODUCING COMPANY

R. Scott McDaniel Senior Landman

RSM:lf\c:NMOCD56

Enclosures

cc w/encl.: New Mexico Oil Conservation Division

District II Office P. O. Drawer DD

Artesia, New Mexico 88210 Attention: Mr. Jim Morrow Acting Supervisor