

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 _____

JAN - 9 2002

- [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

1/5/02
 Date

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

jamesbruc@aol.com
 e-mail Address

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

324 MCKENZIE STREET
SANTA FE, NEW MEXICO 87501

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

January 5, 2002

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

Well: Lost Tank "3" Fed. Well No. 7
Location: 760 feet FNL & 1390 feet FEL
Unit: NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 3, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

The well will be drilled to test the Delaware formation (West Lost Tank-Delaware Pool), which is developed on statewide rules. An APD and a Form C-102 are attached as Exhibits A and B.

The application is based on geologic reasons. The pool produces from several Delaware sands, with two of the most prolific being the Lower Brushy BC-4 Sand and the Middle Brushy "F" Sand. Attached as Exhibits C and D are isopachs of those sands. The proposed location optimizes the opportunity to encounter a thick Middle Brushy "F" Sand while also providing the opportunity to encounter a thick Lower Brushy BC-4 Sand interval.

As shown on Exhibit E, Federal Lease NM 0417696 covers all of Section 3, among other acreage. Royalty, overriding royalty, and working interest ownership are common throughout Section 3. Thus, the well does not adversely affect anyone, and notice has not been given to any offset interest owner.

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 typed name.

James Bruce

Attorney for Pogo Producing Company

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
RECEIVED

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL MIDLAND DEEPEN

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

2. NAME OF OPERATOR
POGO PRODUCING COMPANY (RICHARD WRIGHT 915-685-8140)

3. ADDRESS AND TELEPHONE NO.
P.O. BOX 10340 MIDLAND, TEXAS 79702-7340 (915-695-8100)

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface
760' FNL & 1390' FEL SEC. 3 T22S-R31E EDDY CO. NM
At proposed prod. zone SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 30 miles East of Carlsbad New Mexico

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
760'

16. NO. OF ACRES IN LEASE
1280

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.
1400'±

19. PROPOSED DEPTH
8500'

20. ROTARY OR CABLE TOOLS
ROTARY

21. ELEVATIONS (Show whether DF, ET, GR, etc.)
3496' 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 "3" FEDERAL # 7

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
LOST TANK DELAWARE-WEST

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SEC. 3 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	NA	40'	Cement to surface with Redi-mix.
17½"	H-40 13 3/8"	48	825'	800 Sx. circulate to surface
11"	J-55 8 5/8"	32	4200'	1500 Sx. circulate to surface
7 7/8"	J-55 5½"	17 & 15.5	8500'	1650 Sx cement in 3 stages circulate

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17½" hole to 825'. Run and set 825' of 13 3/8" 48# H-40 ST&C casing. Cement with 800 Sx. of Class "C" cement + 2% CaCl, + ¼# Floce/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, = ¼# Flocele/sx. circulate cement to surface.
4. Drill 7 7/8" hole to 8500'. Run and set 5½" casing as follows: 2500' of 5½" 17# J-55 LT&C, 5000' of 5½" 15.5# J-55 LT&C, 1000' of 17# J-55 LT&C casing. Cement in 3 stages with DV tools at 6100' & 3700' ±. 1st stage cement with 650 Sx. of Class "H" + additives, 2nd stage cement with 600 Sx. of Class "C" + additives, 3rd stage cement with 400 Sx. of Class "C" + additives, circulate cement to surface as per R-111-P.

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 T. Garcia TITLE Agent DATE 09/25/01

(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 the land. Approval would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:



APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

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

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

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

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

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number	Pool Code 96582	Pool Name LOST TANK DELAWARE-WEST
Property Code 20943	Property Name LOST TANK 3 FED	Well Number 7
OGRID No. 17891	Operator Name POGO PRODUCING COMPANY	Elevation 3496'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	3	22-S	31-E		760	NORTH	1390	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 40	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

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.

Joe T. Janica
Signature
Joe T. Janica
Printed Name
Agent
Title
09/25/01
Date

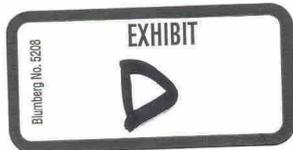
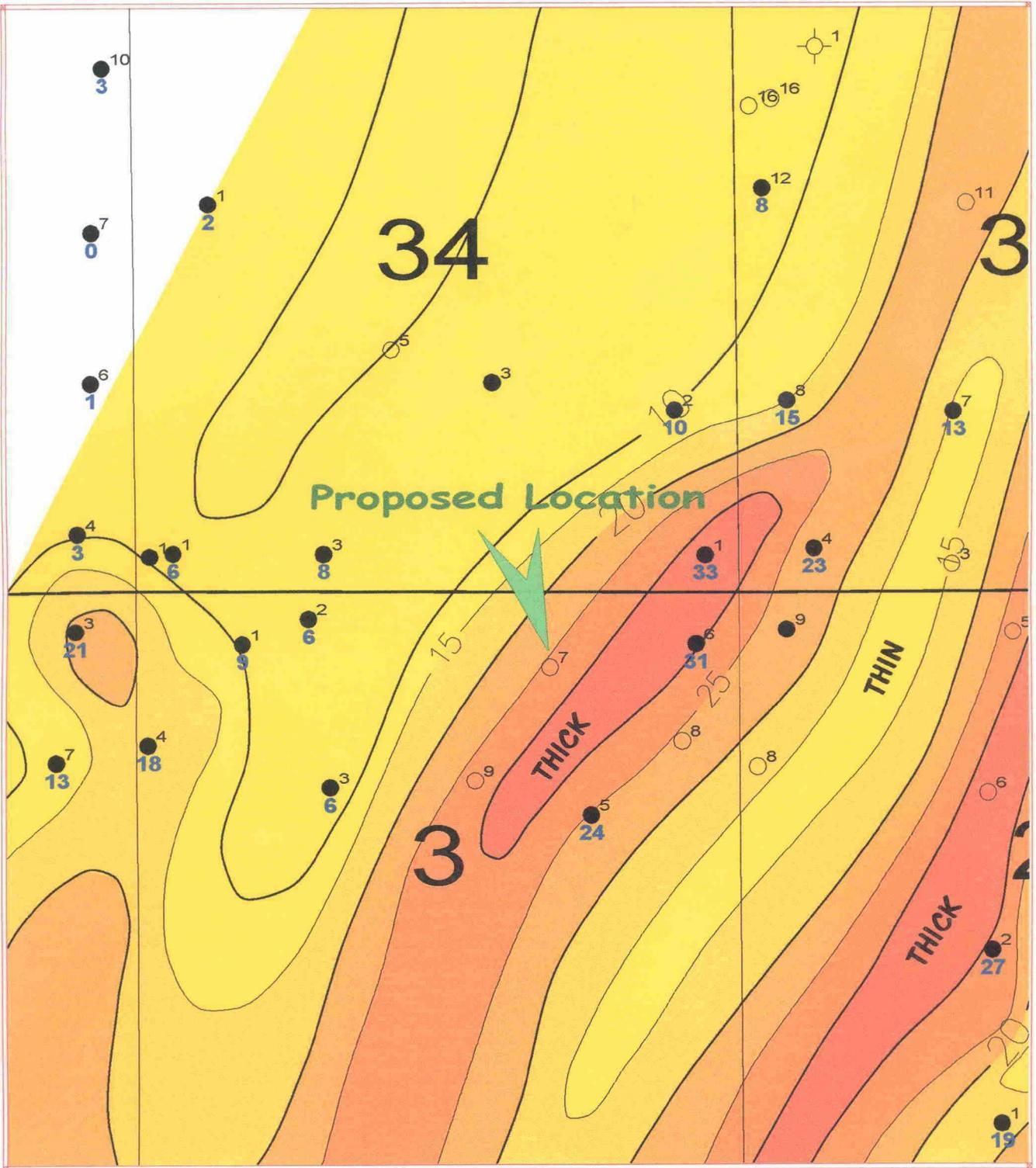
SURVEYOR CERTIFICATION

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.

SEPTEMBER 10, 2001
Date Surveyed
AWB
Signature & Seal of Professional Surveyor
Ronald J. Kidson
01.11.1015

Certificate No. RONALD J. KIDSON 3239
GARY KIDSON 12641





Lost Tank West Delaware

Isopach Map

Brushy "F" Sand Net Sand (14% Porosity Cutoff)

Eddy County, New Mexico

WEH		tl_ocd3.gpf
12/11/01		

Pogo Prod.
7-23-83
50347

U.S.

U.S.

U.S.

(Phillips 1/2)
Pogo Prod.

96231

33

"Lost Tank-Fed."

U.S.

Yates Pet. etal
V-4100

Concho Res.
(Penwell Ener.)
S.L. Shackelford
Loper
P207
B-6869

"Jacque AQJ-St."

State

Yates Pet. etal
V-3850

"Lucy 'ALC' St."

Pitch Ener.

12-1-99
61357
U.S.

F187
State

Pogo Prod.
(Phillips)

V-3604

35

"Lost Tank-St."

State?
U.S.

Concho Res.
Pogo Prod. 1/2
(Phillips)
"Lost Tank-Fed." 0417696
Del. Disc P42
F190 P42 F227

4

"Lost Tank-Fed." U.S.

(Phillips) Pogo Prod. 1/2
0417696
F190 P115

3

"Lost Tank-Fed." U.S.

Yates Pet. etal V-2705
Penroc Marly St.
"Graham 'AKB' St."
P187

2

Yates Pet. etal Pogo Prod.
F243 1 4 LH-1523 P64
V-2597
"Flora-AKF-St." State P173 P156

Superior
8-1-75
0417506

9

U.S.

Mobil CNG, 1/2
9-1-75
0417506

10

U.S.

CNG, 1/2 Mobil
9-1-75
0417506

Yates Pet. etal

65417 "AIK"

11

"Martha-Fed" U.S. P189 P110



16

15

14

Yates Pet. etal.
65418 1-AIL P102
3-AIL P147
"Dalores Fed."
2-AIL P225

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

01/15/02 07:28:
OGOMES -TP
PAGE NO:

Sec : 03 Twp : 22S Rng : 31E Section Type : NORMAL

4 39.65 Federal owned R A	3 39.78 Federal owned R A	2 39.92 Federal owned R	1 40.05 Federal owned R
E 40.00 Federal owned R A	F 40.00 Federal owned R A	G 40.00 Federal owned R	H 40.00 Federal owned R A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

01/15/02 07:29:
OGOMES -TP
PAGE NO:

Sec : 03 Twp : 22S Rng : 31E Section Type : NORMAL

L 40.00 Federal owned R	K 40.00 Federal owned R	J 40.00 Federal owned R	I 40.00 Federal owned R
M 40.00 Federal owned R	N 40.00 Federal owned R	O 40.00 Federal owned R	P 40.00 Federal owned R

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12