

DATE IN 9/4/02	SUBMITTER 9/24/02	ENGINEER MS	LOGGED IN KW	TYPE NSL	APP NO. 224832155
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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



NSL-4774

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

SEP 11 PM 1:52
100-201101

[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
P.O. BOX 1056
SANTA FE, NM 87504

James Bruce
Signature

Attorney for Applicant
Title

jamesbruc@aol.com
e-mail Address

Date

9/4/02

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)

September 4, 2002

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

<u>Well:</u>	State 2 Well No. 5
<u>Location:</u>	1300 feet FSL & 1300 feet FEL
<u>Unit:</u>	SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 2, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

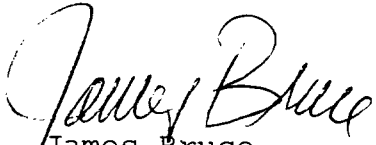
The well will be drilled to test the Delaware formation (Livingston Ridge-Delaware Pool), which is developed on statewide rules. A Form C-102 for the well is attached as Exhibit A. The SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 2 will be simultaneously dedicated to the State 2 Well Nos. 1 and 5.

The application is based on geologic and engineering reasons. Attached as Exhibit B is a statement of reasons for the unorthodox location, and pertinent geological maps are attached as Exhibits C and D. The primary reasons for the location are (a) thicker sand, (b) accessing undrained reserves, and (c) it will form a five-spot pattern with Well Nos. 1-4 for potential pressure maintenance operations.

Attached as Exhibit E is a land plat, highlighting the well's location. The entire SE $\frac{1}{4}$ of Section 2 is covered by State Lease LH-1523, which has common royalty, overriding royalty, and working interest ownership throughout. Therefore, there are no offset operators to notify.

Please call me if you need any further information on this matter.

Very truly yours,

A handwritten signature in cursive script, reading "James Bruce". The signature is written in dark ink and is positioned above the printed name.

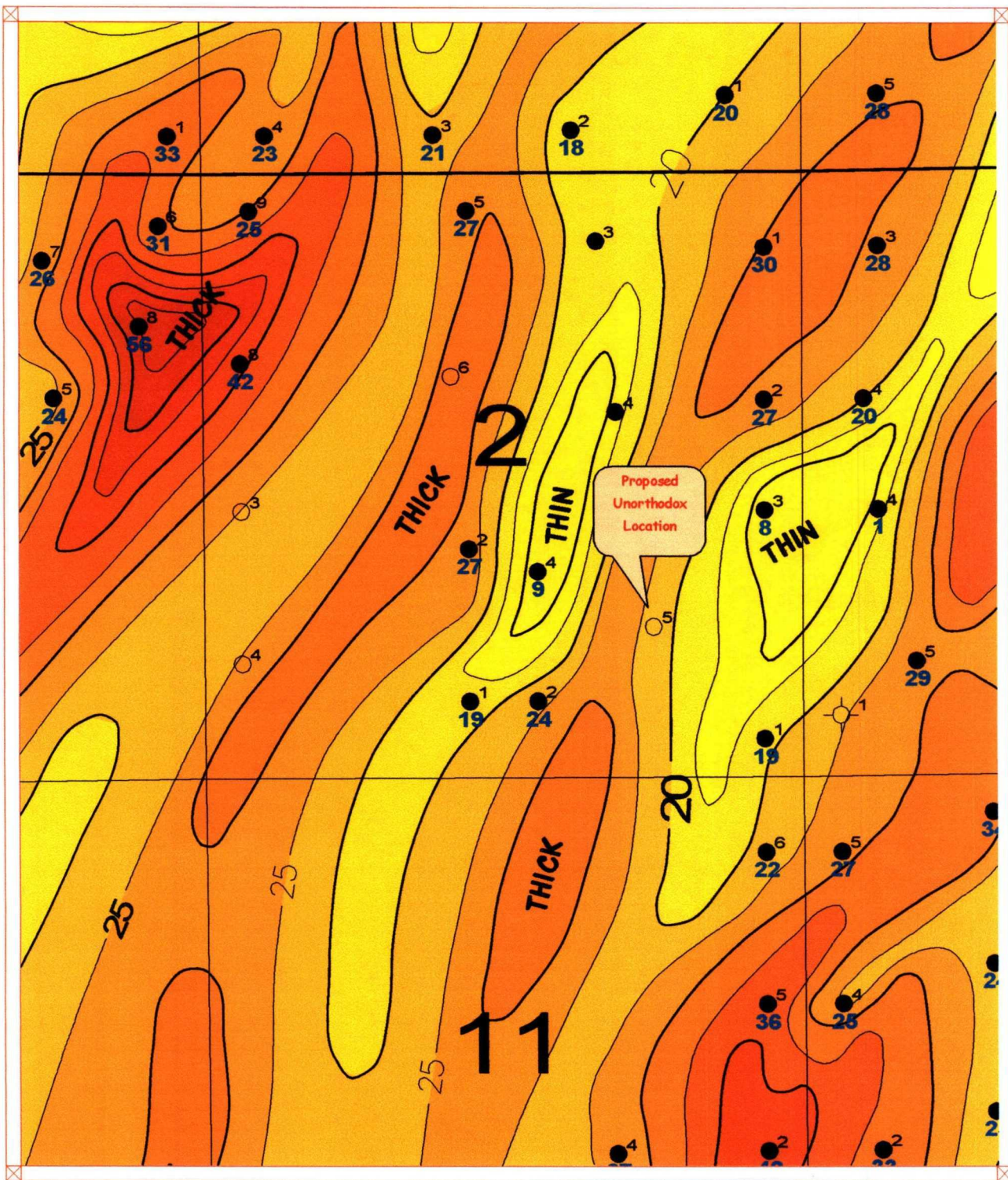
James Bruce

Attorney for Pogo Producing Company

Pogo Producing Company
State 2 #5
Application for Unorthodox Location

1. The proposed State 2 #5 well is located 1300' fsl, 1300' fel, section 2, T22S, R32E, Eddy County, New Mexico.
2. The proposed well is located in the Lost Tank Delaware Field.
3. The primary producing zone in the Lost Tank Delaware Field is the Brushy Canyon "F" Sand, which occurs at a depth of approximately 6950'. (There are other less prolific zones above and below the "F" that are also typically completed).
4. The Brushy "F" Sands were deposited in NE/SW-trending lenses, that vary in net thickness from 10' to over 40' in section 2 (see Net Sand map).
5. The structure map on the Brushy "F" Sand shows east-southeast regional dip.
6. The proposed location is expected to encounter more than 20 feet of net porosity in the "F" Sand, at a structural elevation of -3390 subsea.
7. The proposed location is located between four existing Pogo-operated locations. The **closest** of these offsetting wells (Pogo's State "2" #4 well) is located approximately 1120' from the proposed well.
8. The proposed well is expected to capture un-drained reserves between the offsetting 4 wells because a) the thickest part of the "F" Sand lens is located between the existing 4 wells; b) sufficient distance exists between the proposed well and each offset that it is unlikely that excessive drainage interference will occur.





POGO PRODUCING COMPANY

Western Division

Midland, Texas

Lost Tank Delaware Field

Isopach: Brushy "F" Sand Net Porosity

(Porosity = 14%)

Eddy County, New Mexico

WEH

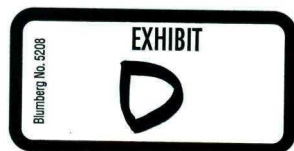
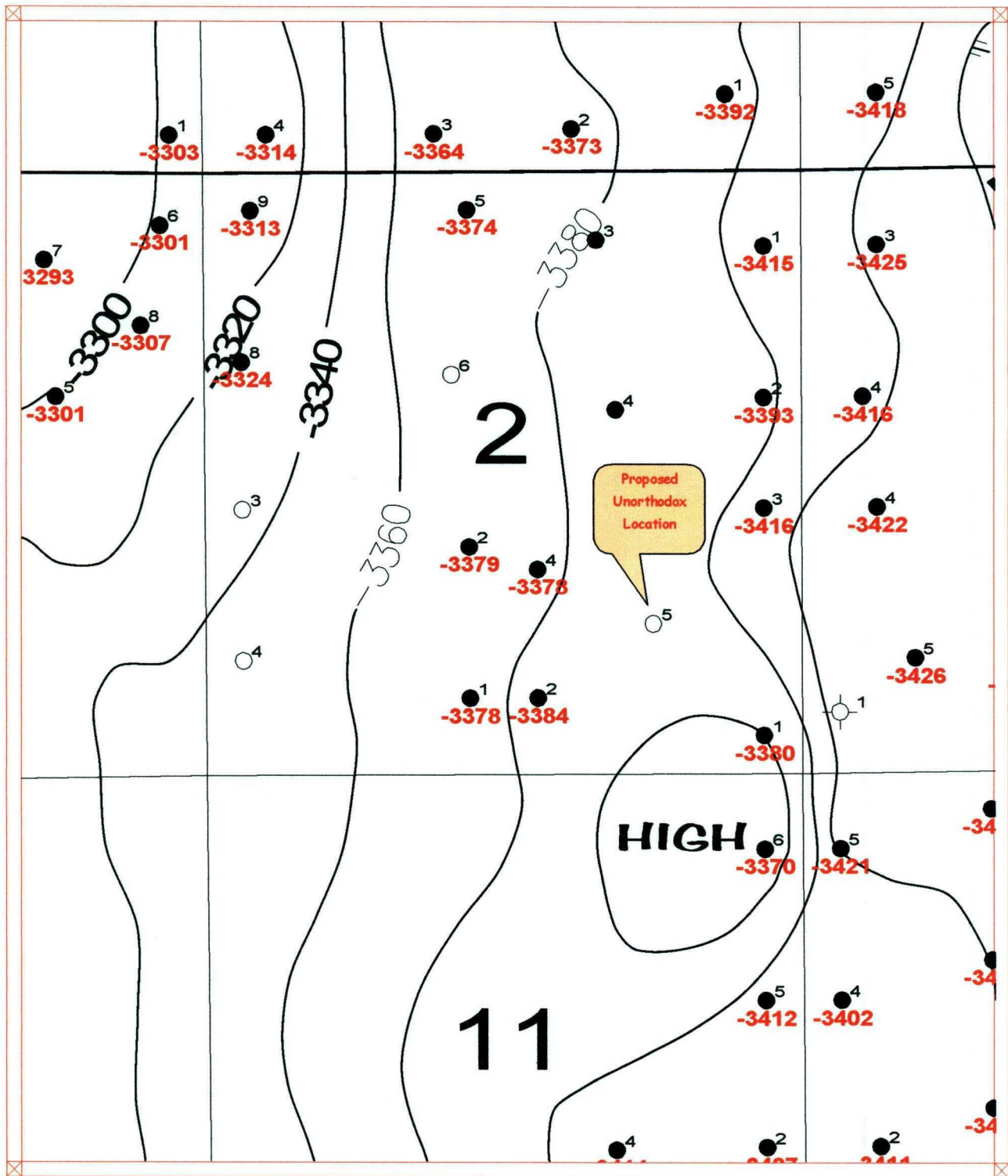
ocd.gpf

8/17/02

Blumberg No. 5208

EXHIBIT

C



 POGO PRODUCING COMPANY Western Division Midland, Texas		
Lost Tank Delaware Field Structure: Top Brushy "F" Sand Eddy County, New Mexico		
WB-1		neffood.gpf
8/17/02		

JAMES BRUCE
Attorney at Law
Post Office Box 1056
Santa Fe, New Mexico 87504
Telephone: (505) 982-2043
Fax: (505) 982-2151

FAX COVER SHEET

DELIVER TO: Florene Davidson

COMPANY: Oil Conservation Division

CITY: Santa Fe, New Mexico

FAX NUMBER: (505) 476-3462

NUMBER OF PAGES: 4 (Including Cover Sheet)

DATE SENT: 9/6/02

MEMO: Florene: Please give to the appropriate person.

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)

September 6, 2002

Via Fax

Lori Wrotenbery
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Request for verbal approval to spud well

Dear Ms. Wrotenbery:

Pogo Producing Company has filed the enclosed application for an unorthodox location, but has a rig which needs to be moved to the wellsite in a few days. Therefore, Pogo requests verbal approval to commence the well.

The well is in the middle of State Lease LH-1523, and will not adversely affect any offset interest owner. It is being drilled due to geologic reasons, and to complete a five-spot pattern for potential future pressure maintenance operations.

Thank you for your consideration of this matter.

Very truly yours,



James Bruce

Attorney for Pogo Producing Company

September 4, 2002

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

<u>Well:</u>	State 2 Well No. 5
<u>Location:</u>	1300 feet FSL & 1300 feet FEL
<u>Unit:</u>	SE 1 SW 4 of Section 2, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

The well will be drilled to test the Delaware formation (Livingston Ridge-Delaware Pool), which is developed on statewide rules. A Form C-102 for the well is attached as Exhibit A. The SE~~1~~SW~~4~~ of Section 2 will be simultaneously dedicated to the State 2 Well Nos. 1 and 5.

The application is based on geologic and engineering reasons. Attached as Exhibit B is a statement of reasons for the unorthodox location, and pertinent geological maps are attached as Exhibits C and D. The primary reasons for the location are (a) thicker sand, (b) accessing undrained reserves, and (c) it will form a five-spot pattern with Well Nos. 1-4 for potential pressure maintenance operations.

Attached as Exhibit E is a land plat, highlighting the well's location. The entire SE~~1~~ of Section 2 is covered by State Lease LH-1523, which has common royalty, overriding royalty, and working interest ownership throughout. Therefore, there are no offset operators to notify.

Please call me if you need any further information on this matter.

SD
NSL

990
+
990

Very truly yours,

James Bruce

Attorney for Pogo Producing Company

CMD : ONGARD
 OG5SECT INQUIRE LAND BY SECTION

09/10/02 08:02:41
 OGOMES -TPWN
 PAGE NO: 2

Sec : 02 Twp : 22S Rng : 31E Section Type : NORMAL

L	K	J	I
40.00 CS V02597 0000 YATES PETROLEUM C R 08/01/93 A	40.00 CS V02597 0000 YATES PETROLEUM C R 08/01/93 A	40.00 CS LH1523 0000 POGO PRODUCING CO R 04/01/92 A	40.00 CS LH1523 0000 POGO PRODUCING CO R 04/01/92 A
M	N	O	P
40.00 CS V02597 0000 YATES PETROLEUM C R 08/01/93 A	40.00 CS V02597 0000 YATES PETROLEUM C R 08/01/93 A	40.00 CS LH1523 0000 POGO PRODUCING CO R 04/01/92 A	40.00 CS LH1523 0000 POGO PRODUCING CO R 04/01/92 A

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

CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION09/10/02 08:03:07
OGOMES -TPWN
PAGE NO: 1

Sec : 02 Twp : 22S Rng : 31E Section Type : NORMAL

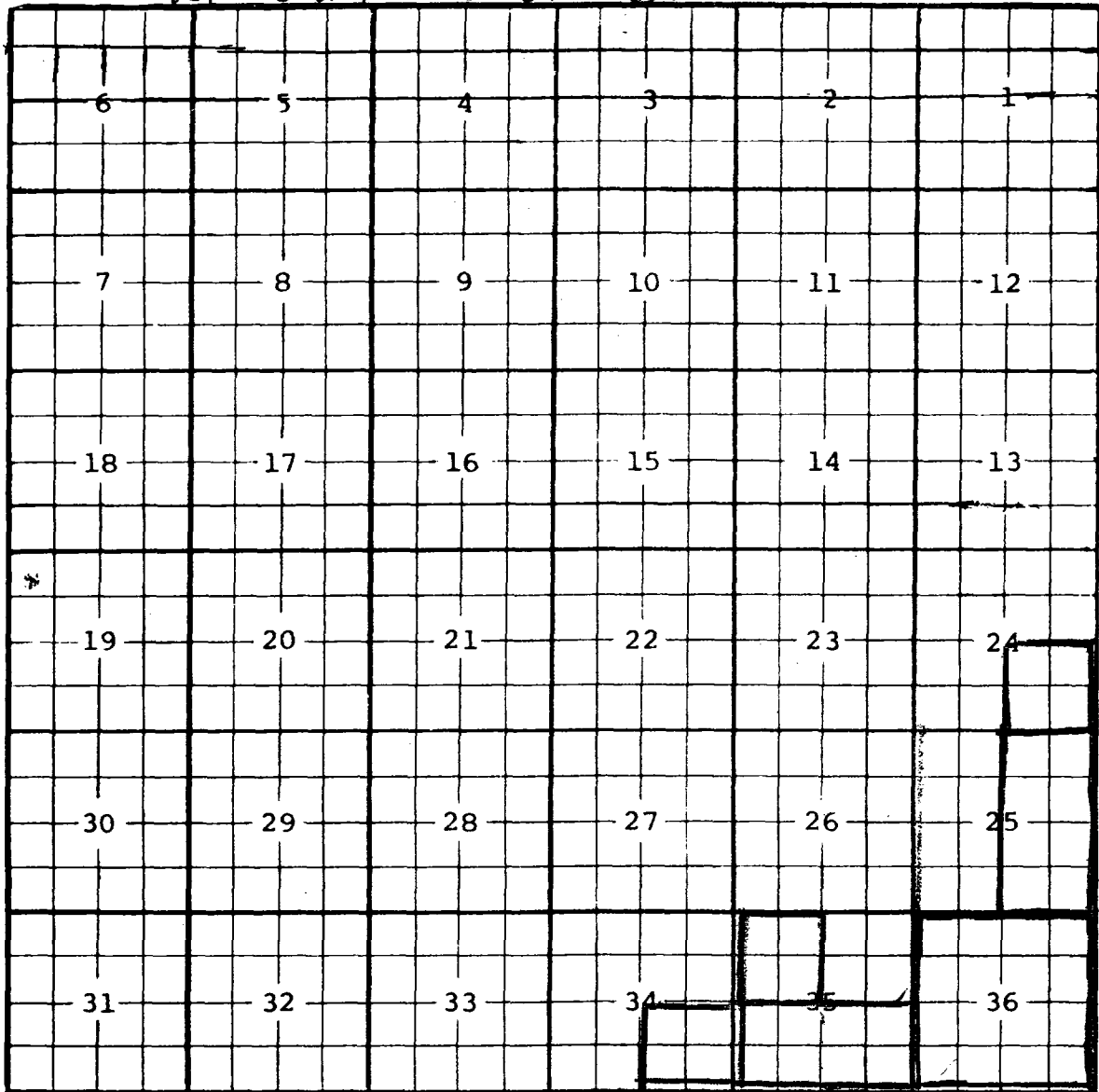
4	3	2	1
40.06	39.93	39.81	39.68
CS	CS	CS	CS
V02705 0000	V02705 0000	V02705 0000	V02705 0000
YATES PETROLEUM C	YATES PETROLEUM C	YATES PETROLEUM C	YATES PETROLEUM C
R 10/01/93	R 10/01/93	R 10/01/93	R 10/01/93
A	A	A	A
E	F	G	H
40.00	40.00	40.00	40.00
CS	CS	CS	CS
V02705 0000	V02705 0000	V02705 0000	V02705 0000
YATES PETROLEUM C	YATES PETROLEUM C	YATES PETROLEUM C	YATES PETROLEUM C
R 10/01/93	R 10/01/93	R 10/01/93	R 10/01/93
A	A	A	A

M0002: This is the first page

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

County Eddy Pool Lost Tank- Delaware

TOWNSHIP 21 South Range 31 East NMPM



Description: All Sec. 36 (R-9545, 7-1-91) Ext: $\frac{E}{2}$ Sec. 25 (R-9625, 1-15-92)
Ext: $\frac{SE}{4}$ Sec. 24 (R-9709, 8-25-92) Ext: $\frac{S}{2}$ Sec. 35 (R-71534, 2-8-01)
Ext: $\frac{SE}{4}$ Sec. 34 (R-71691, 11-28-01) Ext: $\frac{NW}{4}$ Sec. 35 (R-11706, 1-9-02)

County LaurelPool Lost Tank-Delaware

TOWNSHIP

21 South

Range

32 East

NMPM

	6	5	4	3	2	1
7	8	9	10	11	12	
18	17	16	15	14	13	
19	20	21	22	23	24	
30	29	28	27	26	25	
31	32	33	34	35	36	

Ext: $\text{NW}/4$ Sec. 31 (R-9685, 6-30-92) Ext: $\text{SW}/4$ Sec. 19, $\text{NW}/4$ Sec. 30 (R-9723, 9-25-92) Ext: $\text{S}/2$ Sec. 18, $\text{NW}/4$ Sec. 19 (R-9843, 2-8-93)

Ext: $\text{S}/2$ Sec. 30 (R-10795, 4-28-97)

County Eddy Pool Lost Tank-Delaware

TOWNSHIP 22 South Range 31 East NMPM

6	5	4	3	2	1	
7	8	9	10	11	12	
18	17	16	15	14	13	
19	20	21	22	23	24	
30	29	28	27	26	25	
31	32	33	34	35	36	

Description: $NE\frac{1}{4}$ Sec. 1 (R-9545, 7-1-91) Ext: $\frac{W}{2}$ and $SE\frac{1}{4}$ Sec. 1, $SE\frac{1}{4}$ Sec. 2 (R-9668, 5-6-92) Ext: $NE\frac{1}{4}$ Sec. 2 (R-9709, 8-25-92) Ext: $SW\frac{1}{4}$ Sec. 2 (R-10343, 4-24-93) Ext: $NW\frac{1}{4}$ Sec. 2 (R-11534, 2-8-01)

County Lea Pool Lost Tank- Delaware

TOWNSHIP 22 South Range 32 East NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Ext. NW 1/4 Sec. 6 (R-10127, 8-30-94)

CMD : ONGARD 09/10/02 08:03:20
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPWN

API Well No : 30 15 26894 Eff Date : 02-01-1992 WC Status : A
Pool Idn : 40299 LOST TANK;DELAWARE
OGRID Idn : 17891 POGO PRODUCING CO
Prop Idn : 9346 STATE 2

Well No : 001
GL Elevation: 99999

U/L Sec Township Range North/South East/West Prop/Act (P/A)

B.H. Locn : P 2 22S 31E FTG 330 F S FTG 330 F E A
Lot Identifier:
Dedicated Acre: 40.00
Lease Type : S
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD :
OG6ACRE

ONGARD
C102-DEDICATE ACREAGE

09/10/02 08:03:26
OGOMES -TPWN
Page No : 1

API Well No : 30 15 26894 Eff Date : 04-30-1991
Pool Idn : 40299 LOST TANK,DELAWARE
Prop Idn : 9346 STATE 2
Spacing Unit : 25190 OCD Order :
Sect/Twp/Rng : 2 22S 31E Acreage : 40.00
Dedicated Land: Simultaneous Dedication:
Revised C102? (Y/N) :

S Base U/L Sec Twp Rng Acreage L/W Ownership Lot Idn

P 2 22S 31E 40.00 N ST

E0005: Enter data to modify or PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 09/10/02 08:03:35
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPWN
 Page No: 1

OGRID Identifier : 17891 POGO PRODUCING CO
 Pool Identifier : 40299 LOST TANK;DELAWARE

API Well No : 30 15 26894 Report Period - From : 01 2000 To : 07 2002

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil Water Stat	Well
30 15 26894	STATE 2	01 00 31	549 365 1218	P
30 15 26894	STATE 2	02 00 29	623 375 1176	P
30 15 26894	STATE 2	03 00 31	601 335 1130	P
30 15 26894	STATE 2	04 00 30	557 318 1174	P
30 15 26894	STATE 2	05 00 31	659 348 1250	P
30 15 26894	STATE 2	06 00 30	561 326 1140	P
30 15 26894	STATE 2	07 00 31	548 319 1190	P

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXPPOOL PF11 NXTOGD PF12

CMD : ONGARD 09/10/02 08:03:38
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPWN
 Page No: 2

OGRID Identifier : 17891 POGO PRODUCING CO
 Pool Identifier : 40299 LOST TANK;DELAWARE
 API Well No : 30 15 26894 Report Period - From : 01 2000 To : 07 2002

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 15 26894	STATE 2	08 00 31	526 325 1316	P
30 15 26894	STATE 2	09 00 30	498 311 1140	P
30 15 26894	STATE 2	10 00 31	547 362 1285	P
30 15 26894	STATE 2	11 00 30	562 444 1284	P
30 15 26894	STATE 2	12 00 31	588 459 1416	P
30 15 26894	STATE 2	01 01 31	516 338 1254	P
30 15 26894	STATE 2	02 01 17	463 266 874	P

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD : ONGARD 09/10/02 08:03:39
 OG6IPRD INQUIRE PRODUCTION BY POOL/Well OGOMES -TPWN
 Page No: 3

OGRID Identifier : 17891 POGO PRODUCING CO
 Pool Identifier : 40299 LOST TANK;DELAWARE
 API Well No : 30 15 26894 Report Period - From : 01 2000 To : 07 2002

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 15 26894	STATE 2	03 01		P
30 15 26894	STATE 2	04 01	6 151 92	P
30 15 26894	STATE 2	05 01	31 622 347	P
30 15 26894	STATE 2	06 01	30 682 151	P
30 15 26894	STATE 2	07 01	31 503 133	P
30 15 26894	STATE 2	08 01	31 757 154	P
30 15 26894	STATE 2	09 01	30 761 143	P

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD :
OG6IPRD INQUIRE PRODUCTION BY POOL/Well

09/10/02 08:03:40
OGOMES -TPWN
Page No: 4

OGRID Identifier : 17891 POGO PRODUCING CO
Pool Identifier : 40299 LOST TANK;DELAWARE
API Well No : 30 15 26894 Report Period - From : 01 2000 To : 07 2002

API Well No	Property Name	Prod. Days MM/YY	Prod	Production Volumes Gas Oil Water	Well Stat
30 15 26894	STATE 2	10 01	31	816 180 979	P
30 15 26894	STATE 2	11 01	30	758 113 904	P
30 15 26894	STATE 2	12 01	31	713 68 1100	P
30 15 26894	STATE 2	01 02	31	745 43 1139	P
30 15 26894	STATE 2	02 02	28	704 99 1114	P
30 15 26894	STATE 2	03 02	31	864 295 1955	P
30 15 26894	STATE 2	04 02	30	857 346 1710	P

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD : ONGARD
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL

09/10/02 08:03:41
 OGOMES -TPWN
 Page No: 5

OGRID Identifier : 17891 POGO PRODUCING CO
 Pool Identifier : 40299 LOST TANK,DELAWARE
 API Well No : 30 15 26894 Report Period - From : 01 2000 To : 07 2002

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water Stat	Well
30 15 26894 STATE 2		05 02 31	824 281	1552 P
30 15 26894 STATE 2		06 02 30	756 270	1454 P

Reporting Period Total (Gas, Oil) : 18311 7606 33840

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12