

DATE 10/4/02	10/24/02	ENGINEER	LOGGED IN <i>KV</i>	TYPE <i>NSL</i>	APP NO. 228037528
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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

Signature

Attorney for Applicant

Title

Date

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

jamesbruc@aol.com
 e-mail Address

09 OCT - 4 PM 12:35

10/24/02

10/3/02

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)

October 3, 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 gas well location for the following well:

Well: State V-492 Well No. 2
Location: 800 feet FNL & 2300 feet FWL
Unit: N¼ of Section 27, Township 24 South, Range 28 East,
N.M.P.M., Eddy County, New Mexico

The well will be drilled to test the Morrow formation (Undesignated Malaga-Morrow Gas Pool). A Form C-102 is attached as Exhibit A. The unit will be simultaneously dedicated to the proposed well and the existing State V-492 Well No. 1, located in the NE¼ of Section 27. A Form C-102 for that well is attached as Exhibit B.

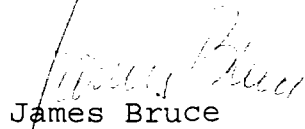
The application is based on topographic and geologic reasons. Referring to Exhibit C, there are a lake and borrow pits in the general area which limit well locations. In addition, the proposed well is adjacent to an existing road, which minimizes surface use.

Attached as Exhibit D is a geologic summary of the area, with appropriate maps attached. The proposed location will allow the well to test the two primary Morrow sands, and increase the chances of obtaining a commercial well.

Attached as Exhibit E is a land plat. The well is not encroaching on any offset, so notice has not been given to anyone. In addition, the location is orthodox for oil wells, so any potential uphole completion will be orthodox. Finally, the existing Well No. 1 in the NE¼ of Section 27 is more than 2000 feet away. Thus, there will not be two wells less than 1320 feet apart.

If you need any further information on this matter, please call
Leslyn Wallace at Pogo Producing Company, (915) 685-8127.

Very truly yours,

A handwritten signature in cursive script, appearing to read "James Bruce".

James Bruce

Attorney for Pogo Producing Company

lwallaceL@pogoproducing.com

DISTRICT I
P.O. Box 1880, Hobbs, NM 88241-1880

State of New Mexico

Energy, Minerals and Natural Resources Department

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., Aztec, NM 87410

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

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fcc Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
		UNDES. MALAGA-MORROW
Property Code 9347	Property Name STATE "V" 492	Well Number 2
OGRID No. 17891	Operator Name POGO PRODUCING COMPANY	2987' 2986'

Surface Location

UL or lot No. C	Section 27	Township 24-S	Range 28-E	Lot Idn	Feet from the 800'	North/South line NORTH	Feet from the 2300'	East/West line WEST	County EDDY
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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
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Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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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

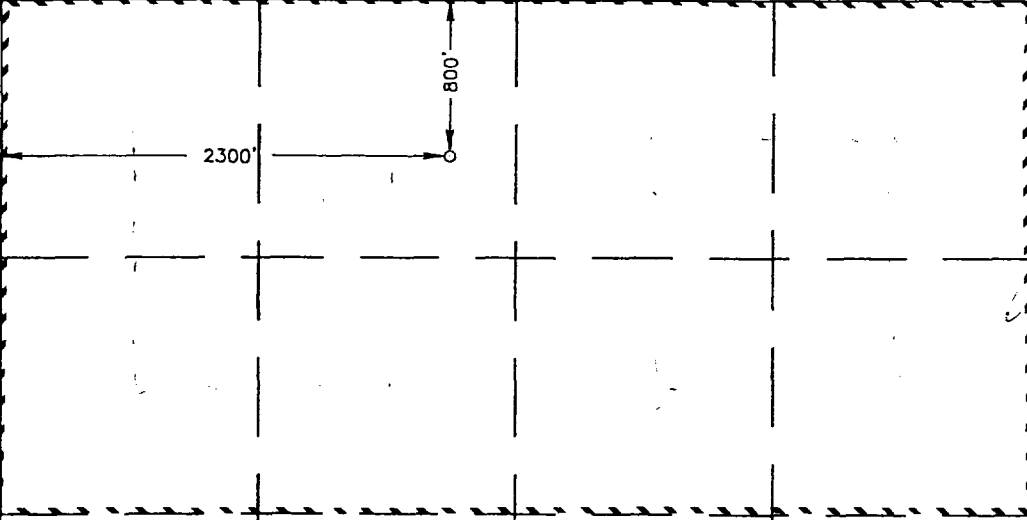
	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <i>Joe T. Janica</i> Signature Joe T. Janica Printed Name Agent Title 09/18/02 Date
GEODETIC COORDINATES NAD 27 NME Y = 434284.3 X = 579565.1 LAT. 32°11'37.33"N LONG. 104°04'34.05"W	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, 2002 Date Surveyed Signature & Seal of Professional Surveyor A.W.B. <i>Ronald J. Eidson</i> 02-11-0625 9/12/02 Certificate No. RONALD J. EIDSON 3239 GARY EIDSON 12641

EXHIBIT
A
Blumberg No. 5208

ILLEGIBLE

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form
Supersedes O.C.C.M.
Form No. 1-75

All distances must be from the outer boundaries of the Section.

RECEIVED

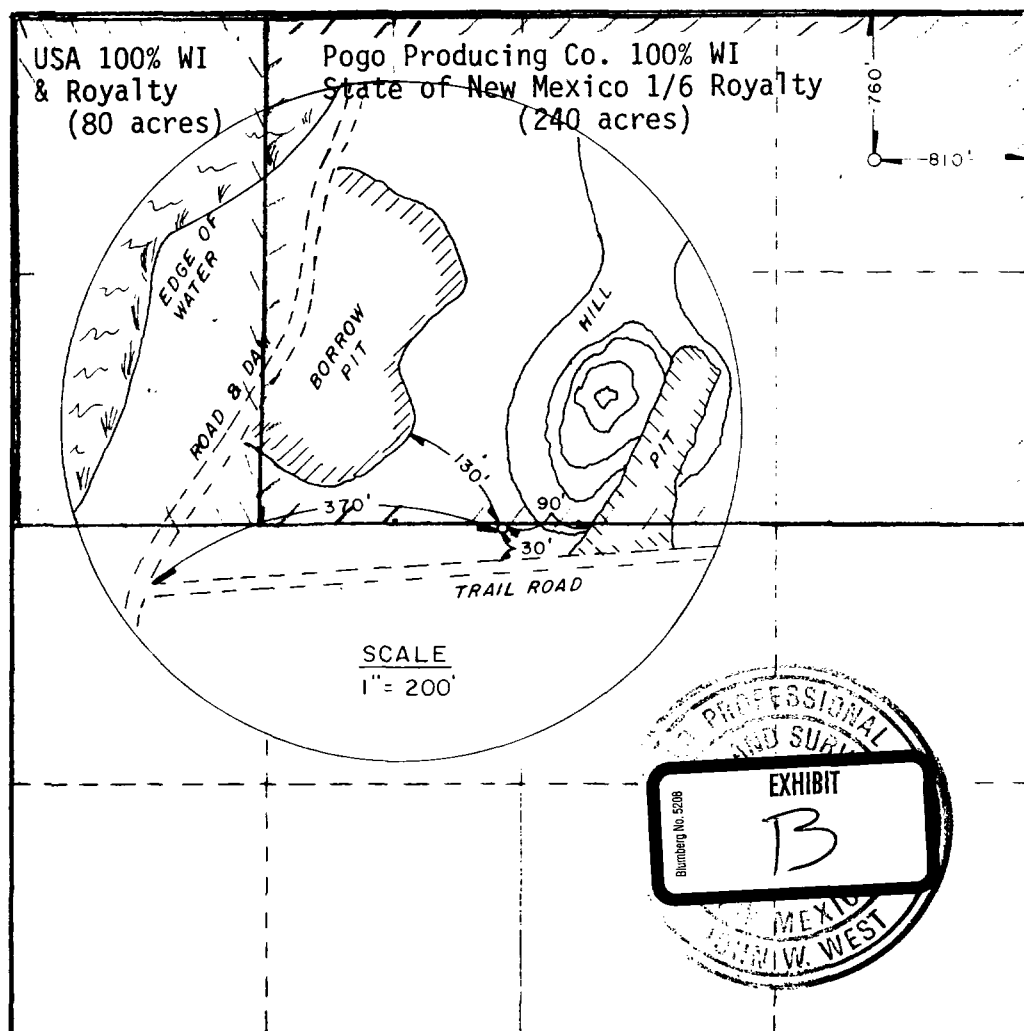
Operator: POGO PRODUCING COMPANY				Lease: STATE V-492	
Tract Letter: A	Section: 27	Township: 24 SOUTH	Range: 28 EAST	EDDY	
Actual Borehole Location of Well:					
760 feet from the NORTH line and		810 feet from the EAST		Midland EAST	
Ground Level Elev: 2961.6'	Producing Formation: Morrow		Malaga Morrow		320

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☒ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated (if so reverse side of this form if necessary.) Communitization Agreement is being prepared

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

B. J. Williams
B. J. Williams

Division Operations Manager

Pogo Producing Company

March 6, 1986

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 knowledge and belief.

Date Surveyed:

FEBRUARY 28, 1986

Registered Professional Engineer and/or Land Surveyor

Certificate No. JOHN W. WEST, 676

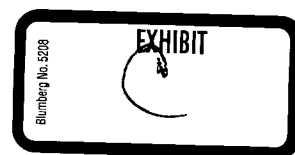
RONALD J. EIDSON, 3239

Topographic map showing a hilly area with contour lines and spot elevations. A shaded region is labeled "STATE V 492 #2". A road is labeled "2356' OF ACCESS ROAD". A lake is labeled "LAKE". Various spot elevations are marked with 'x' and 'T' suffixes, such as 3029T, 3049T, 2972T, 2985T, and 2994T. The map includes a grid with numbers 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35.

CONTOUR INTERVAL: 10'
MALAGA, N.M.

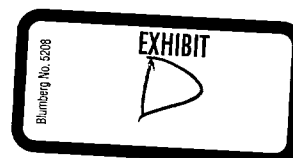
U.S.G.S. TOPOGRAPHIC MAP
MALAGA, N.M.

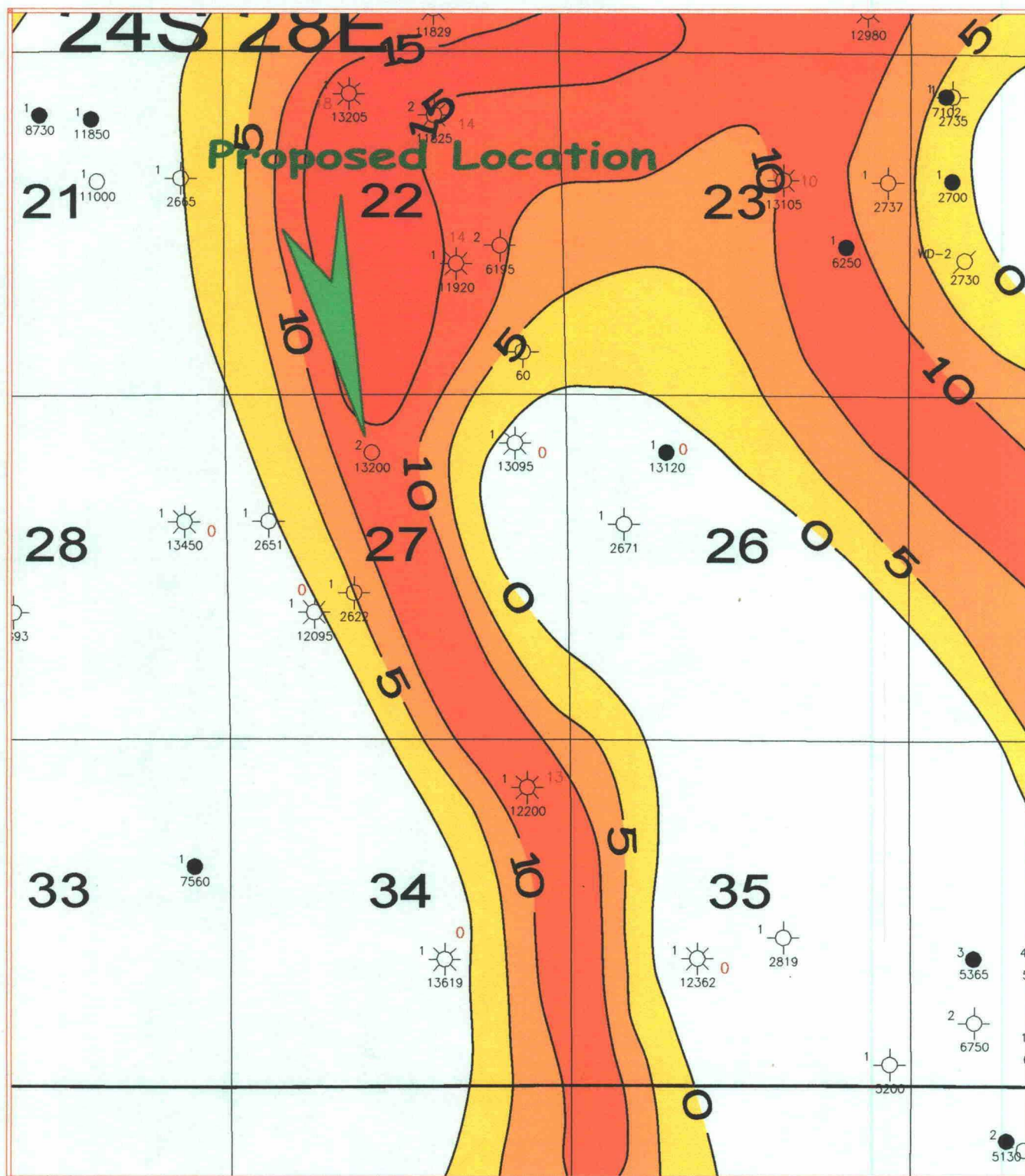
JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117



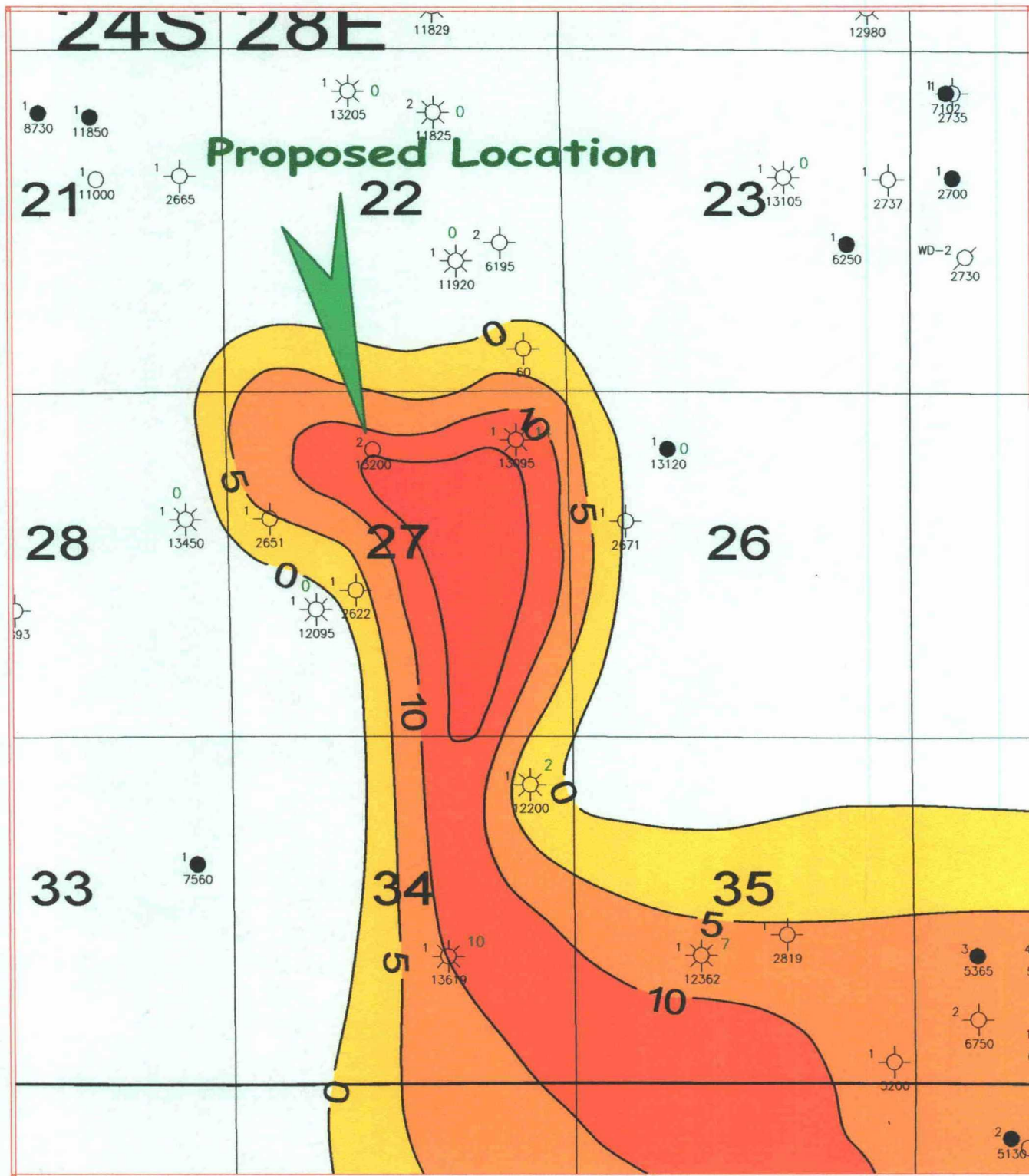
Pogo Producing Company
State V492 #2
Application for Unorthodox Location

1. The proposed State V492 #2 well is located 800' fnl, 2300' fwl, section 27, T24S, R28E, Eddy County, New Mexico.
2. The proposed well is located in the Salt Draw Atoka Field.
3. The primary producing zones in Salt Draw Atoka Field are two thin sands (Willow Lake Sand and Salt Draw Sand), which occur at a depth of approximately 11800'. Secondary targets include less prolific zones in the Morrow (below) and the Strawn (above).
4. The Salt Draw Sand trends north-south through section 27 (see attached map) and is productive in Pogo's State V492 #1 well, located in the NE/4 sec. 27. The proposed location is expected to encounter at least 10' of this sand.
5. The Willow Lake Sand trends northwest-southeast through section 27 (see attached map) and is productive in wells located to the north in section 25 and to the south in section 34. The proposed location should encounter over 10' of this sand.
6. Structure on the Atoka Formation dips regionally to the south-southeast (see attached map).
7. The proposed well is positioned to encounter the maximum thickness in both the Willow Lake and Salt Draw Sands.

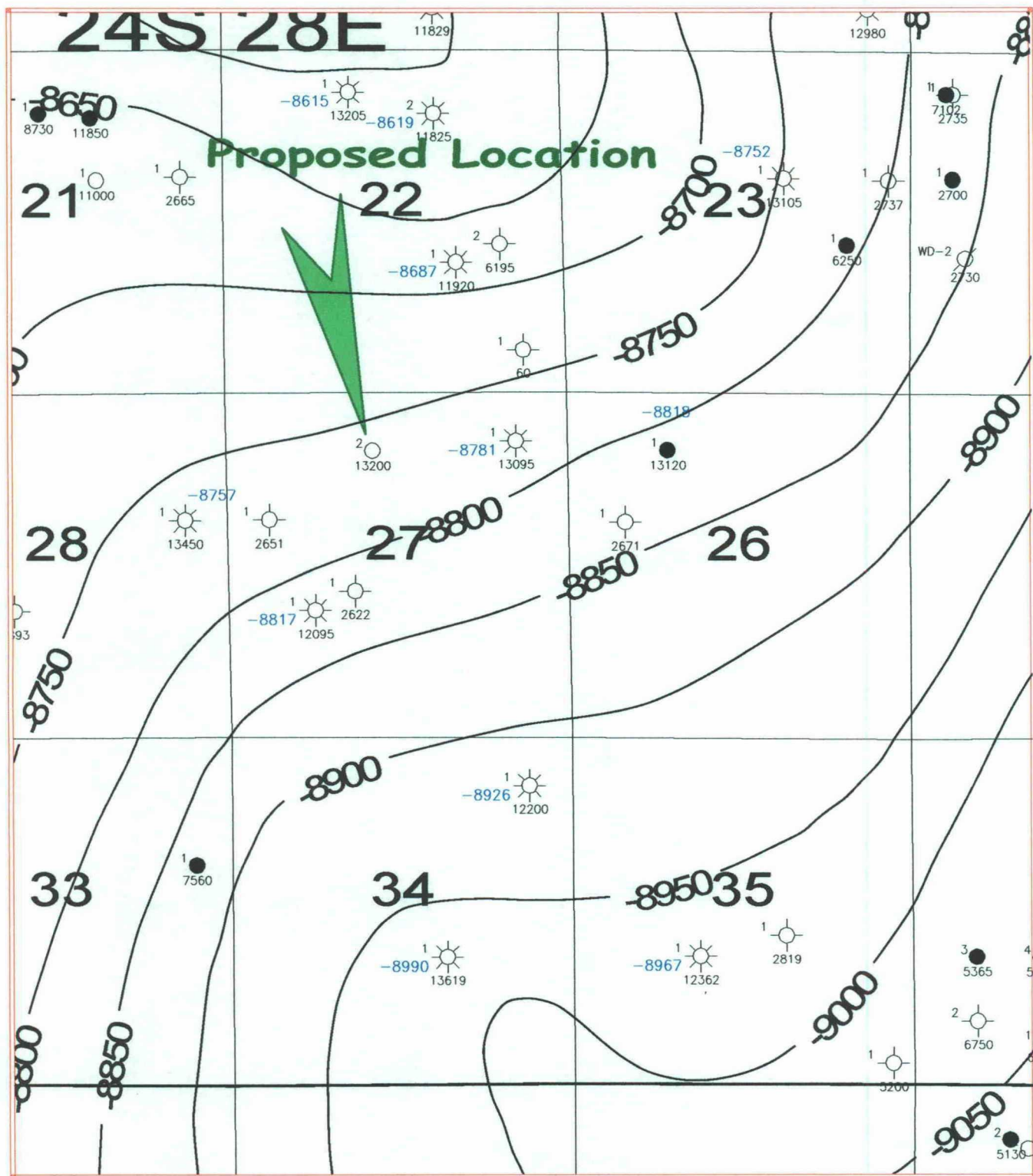




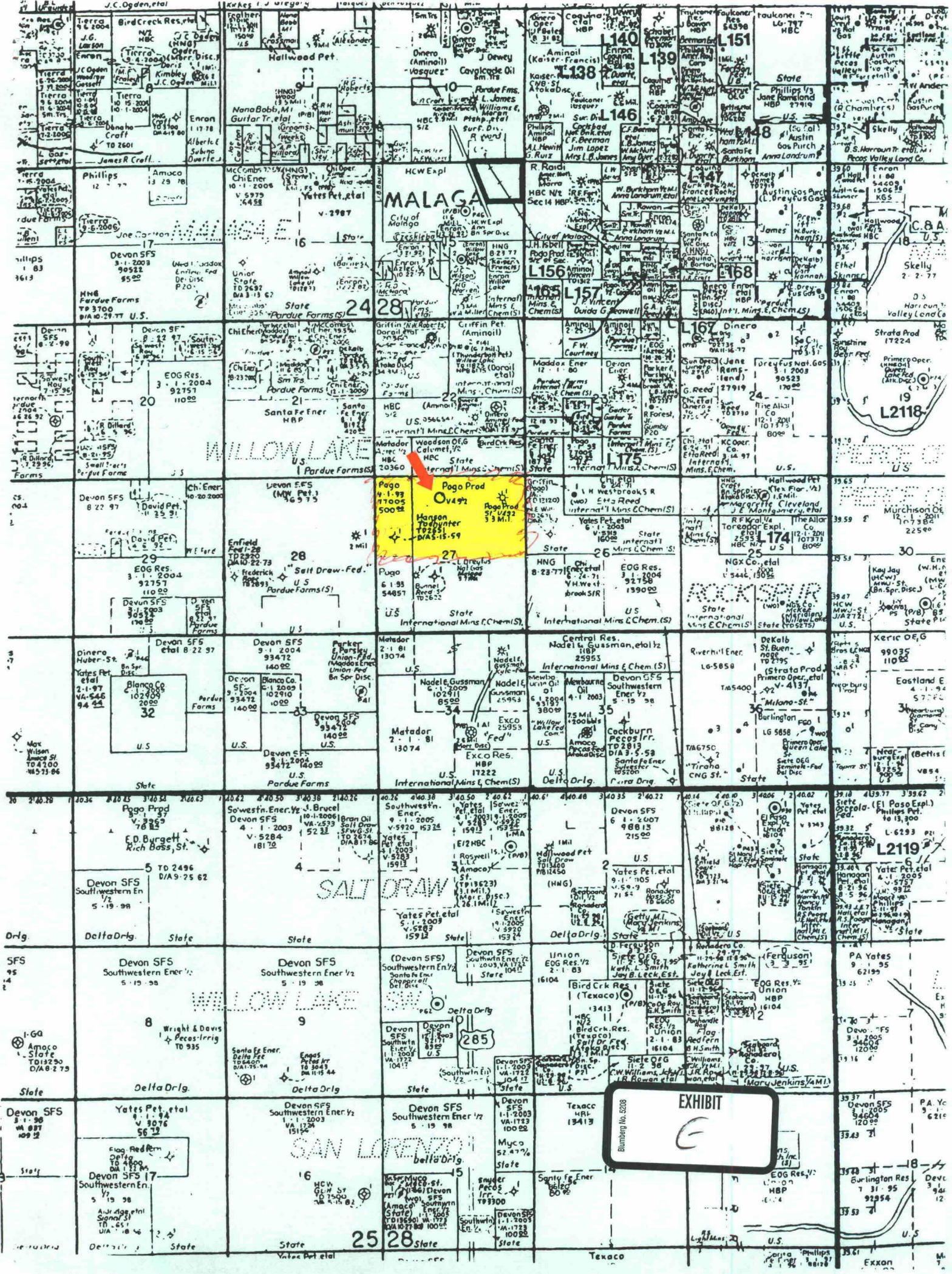
 POGO PRODUCING COMPANY Western Division Midland, Texas		
Willow Lake Prospect Isopach: Willow Lake Gross Sand Eddy County, New Mexico		
WBH		wil_ocr.gpf
8/17/02		



 POGO PRODUCING COMPANY Western Division Midland, Texas		
Willow Lake Prospect Isopach: Salt Draw Gross Sand Eddy County, New Mexico		
WBH		wll_sd.gpf
8/17/02		

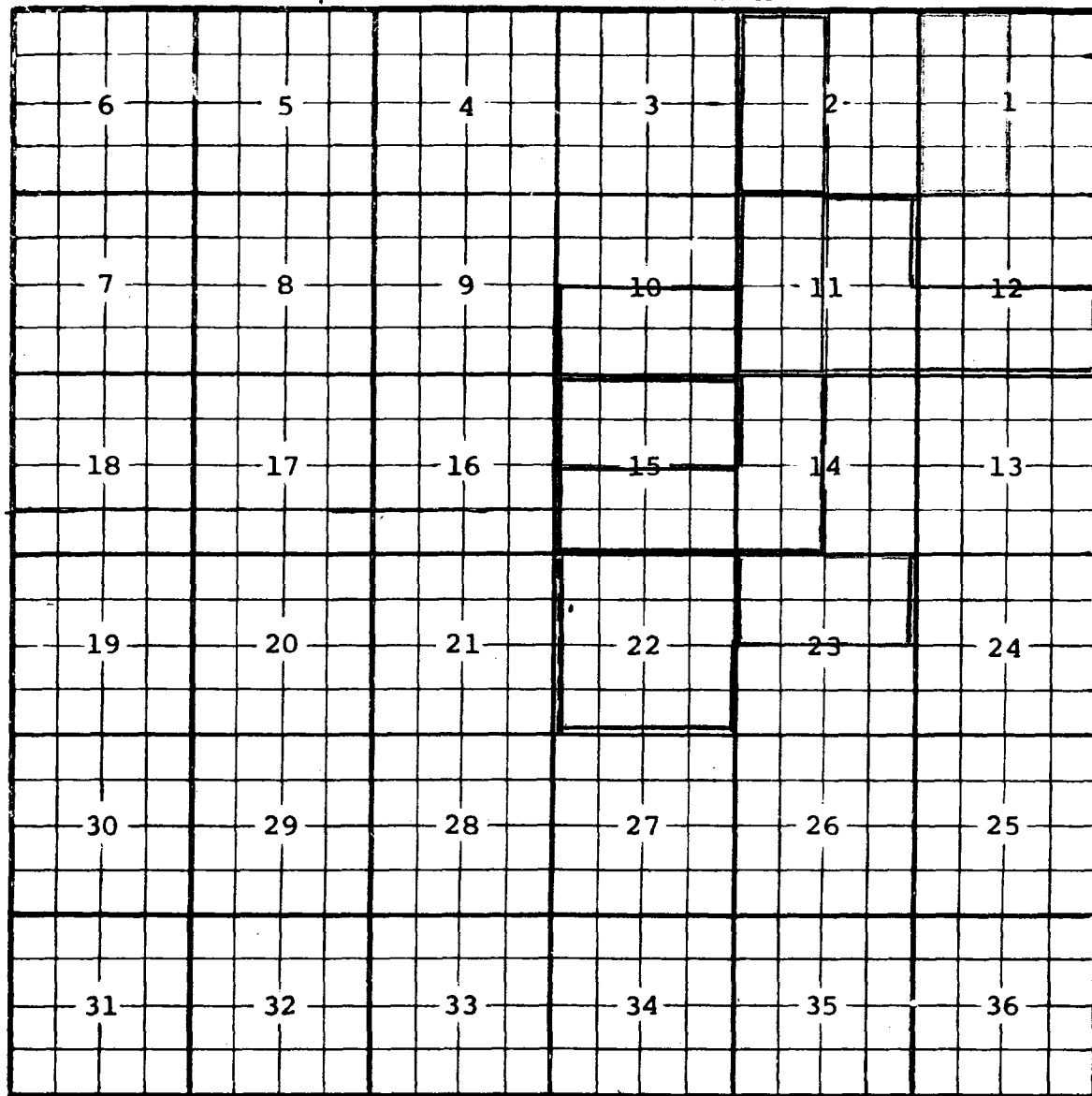


 POGO PRODUCING COMPANY Western Division Midland, Texas		
Willow Lake Prospect Structure: Atoka Shale Eddy County, New Mexico		
WBH		will_at.gpf
8/17/02		



COUNTY EddyPOOL Malaga - Morrow GasTOWNSHIP 24 SouthRANGE 28 East

NMPM



Description: $\frac{W}{2}$ Sec 2 (R-4821, 8-1-74)

Ext: $\frac{W}{2}$ Sec 11 (R-5334, 12-1-76) Ext: $\frac{W}{2}$ Sec 14, $\frac{S}{2}$ Sec 15 (R-5754, 7-1-78)

Ext: $\frac{N}{2}$ Sec. 15 (R-6499, 11-1-80) Ext: $\frac{S}{2}$ Sec. 10, $\frac{N}{2}$ Sec 23 (R-6698, 6-2-81)

Ext: All Sec. 22 (R-7419, 12-21-83) Ext: $\frac{E}{2}$ Sec. 11, $\frac{S}{2}$ Sec. 12 (R-7875, 4-16-85)

CMD : ONGARD
OG5SECT INQUIRE LAND BY SECTION

10/07/02 14:36:29
OGOMES -TQAK
PAGE NO: 1

Sec : 27 Twp : 24S Rng : 28E Section Type : NORMAL

D	C	B	A
40.00	40.00 CS V00492 0000	40.00 CS V00492 0000	40.00 CS V00492 0000
Federal owned C	POGO PRODUCING CO C 04/01/87	POGO PRODUCING CO C 04/01/87	POGO PRODUCING CO C 04/01/87 A
E	F	G	H
40.00	40.00 CS V00492 0000	40.00 CS V00492 0000	40.00 CS V00492 0000
Federal owned C	POGO PRODUCING CO C 04/01/87	POGO PRODUCING CO C 04/01/87	POGO PRODUCING CO C 04/01/87

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

10/07/02 14:36:36
OGOMES -TQAK
PAGE NO: 2

Sec : 27 Twp : 24S Rng : 28E Section Type : NORMAL

L	K	J	I
40.00	40.00 CS V00492 0000	40.00 CS V00492 0000	40.00 CS V00492 0000
Federal owned	POGO PRODUCING CO	POGO PRODUCING CO	POGO PRODUCING CO
C	C 04/01/87	C 04/01/87	C 04/01/87
A			
M	N	O	P
40.00	40.00 CS V00492 0000	40.00 CS V00492 0000	40.00 CS V00492 0000
Federal owned	POGO PRODUCING CO	POGO PRODUCING CO	POGO PRODUCING CO
C	C 04/01/87	C 04/01/87	C 04/01/87

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