N.M. Oil Cons. DIV-Dist. 2

RESUBMITTAL 1301 W. Grand Avenue

RECEIPED, NM 88210

Form 3160-3 (April 2004)

DEC - 8 2004

OMB No. 1004-0137 Expires March 31, 2007

DEPARTMENT OF THE BUREAU OF LAND MA APPLICATION FOR PERMIT TO	INTERIOR OCCEAR NAGEMENT	ITEQIA	 5. Lease Serial No. NM-13409 6. If Indian, Allotee or Transaction 	ribe Name
la. Type of work: X DRILL REEN	a. Type of work: X DRILL REENTER			nt, Name and No.
lb. Type of Well: Oil Well A Gas Well Other	8. Lease Name and Well 1 Pecos 33 Fede			
2 Name of Operator Pogo Producing Company			9. API Well No. 30 - 015 -	32681
P.O. Box 10340, Midland, TX	3b. Phone No. (include area code) 432-685-8100		10. Field and Pool, or Explo	oratory
4. Location of Well (Report location clearly and in accordance with At surface 660' FSL & 660' FWL		11. 500., 1. R. M. or Blk. an	d Survey or Area	
At proposed prod. zone Same McMill	ne h	Sec 33, T19S, R27E		
14. Distance in miles and direction from nearest town or post office. Approximately 10 miles North of			12. County or Parish Eddy County	13. State NM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660'	16. No. of acres in lease 640 +	17. Spacin 320	g Unit dedicated to this well	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. NA	19. Proposed Depth 11,000	2977	BIA Bond No. on file	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3432 GR	22 Approximate date work will sta When Approved	nt*	23. Estimated duration	
	24. Attachments			
The following, completed in accordance with the requirements of Ons	hore Oil and Gas Order No.1, shall be	attached to th	is form:	
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). Bond to cover the operations unless covered by an existing both Item 20 above). Operator certification Such other site specific information and/or plans as may be required officer. 				
25. Signature Cally What	Name (Printed Typed) Cathy Wright		Date 1	1/03/04
Title				

Title FIELD MANAGER

Sr. Eng. Tech

CARLSBAD FIELD OFFICE

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, are attached.

APPROVAL FOR 1 YEAR

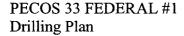
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

Norwell Controlled Water Backn

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

If earthen pits are used in association with the drilling of the well, an OCD pit permit must be obtained prior to pit construction



- 1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cmt to surface w/ Redimix.
- 2. Drill 17-1/2" hole to 500'. Run & set 500' of 13-3/8" 48# H-40 ST&C csg. Cmt w/ 550 sks C1 "C" cmt + add + 2% CaCl2 + add. Circ cmt to surface.
- 3. Drill 12-1/4" hole to 3000'. Run & set 3000' 9-5/8" 40.5# J-55 ST&C casing. Cmt w/ 1200 sks C1 "C" cmt + add. Circ cmt to surface.
- 4. Drill 8-1/2" hole to the Cisco estimated to be ±9000'. If no problems are encountered, reduce hole size to 7-7/8" and drill to TD 11,000'. Run & set 5-1/2" csg as follows: 3000' 17# N-80 LT&C, 6000' 17# J-55 LT&C, 2000' 17# N-80 LT&C. Cmt in 3 stages w/ DV tools at 6000' & 9100' ±. Cmt w/ 1200 sks cmt. Circ cmt to surface.

DISTRICT IV

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

State of New Mexico

Energy, Minerals and Natural Resources Departmen

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

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

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	WILDCAT - MORROW Pool N	ame
Property Code	Pro PECO	Well Number	
OGRID No. 17891	POGO PROE	Elevation 3432	

Surface Location

1	UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	М	33	19 S	27 E		660	SOUTH	660	WEST	EDDY

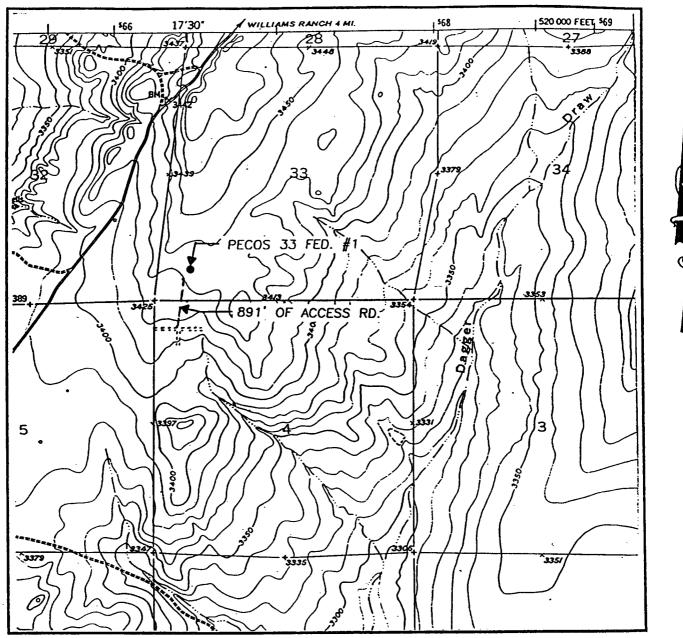
Bottom Hole Location If Different From Surface

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 o	r Infill Co	nsolidation (Code Or	der 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

	ON A NON BIANT	JAKO OMI HAS DE	EN APPROVED BY TH	E DIVISION
				OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.
			 	Signature Jue T. Janica
				Printed Name Agent Title 07/26/00
				SURVEYOR CERTIFICATION I hereby certify that the seell location shown
				on this plat was platted from field notes of actual surveys scale by me or under my supervisen and that the same is true and correct to the best of my bolist. JULY 12, 2000
3435.4' 3435.2'				Date Surveyed DC Signature & Beel of Professional Surveyor
3429.4 0 3431.6'				Condition to No. RONALD LEIDSON 3239 Condition to No. RONALD LEIDSON 3239 CART EIDSON 12641 12641
				GARY RIDSON 12641

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: LAKE McMILLAN SOUTH - 10'

SEC. 33 TWP. 19-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 660' FSL & 660' FWL

ELEVATION 3432

OPERATOR POGO PRODUCING COMPANY

LEASE PECOS 33 FED.

U.S.G.S. TOPOGRAPHIC MAP

LAKE McMILLAN SOUTH, N.M.

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

APPLICATION TO DRILL

POGO PRODUCING COMPANY PECOS "33" FEDERAL # 1 UNIT "M" SECTION 33 T19S-R27E EDDY CO. NM

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is provided for your consideration.

- 1. Location: 660' FSL & 660' FWL SEC. 33 T19S-R27E EDDY CO. NM.
- 2. Elevation above Sea Level: 3432' GR.
- 3. Geologic name of surface formation: Quaternery Aeolian Deposits.
- 4. Drilling tools and associated equipment: Conventional rotary drilling rig using drilling mud as a circulating medium for solids removal from hole.
- 5. Proposed drilling depth: 11,000'
- 6. Estimated tops of geological markers:

San Andres	1550'	Cisco	8370
Bone Spring Lime	2600'	Strawn	93301
2nd Bone spring Sd.	6200	Atoka	96801
Wolfcamp	7860 '	Morrow Clastics	10180

7. Possible mineral bearing formations:

Bone Spring	Oil	Strawn	Gas
Wolfcamp	Oil	Atoka	Gas
Cisco	Gas	Morrow	Gas

8. Casing program:

Hole size	Interval	OD of casing	Weight	Thread	Collar	Grade
25"	0-40*	20"	NA	NA	NA	Conductor
17½"	0-500'	13 3/8"	48	8-R	ST&C	H-40
12 1/4"	0-30001	9 5/8"	40.5	8-R	ST&C	J-55
8½"	0-9000*	5½"	17	8-R	LT&C	N-80 J-55
7 7/8"	0-11,000	5½"	17	8-R	LT&C	N-80 J-55

APPLICATION TO DRILL

POGO PRODUCING COMPANY PECOS "33" FEDERAL # 1 UNIT "M" SECTION 33 T19S-R27E EDDY CO. NM

9. CEMENTING CASING & SETTING DEPTH:

20"	Conductor	Set 40' of 20" conductor and cement to surface with Redi-mix.
13 3/8"	Surface	Set 500' of 13 3/8" 48# H-40 ST&C casing. Cement with 550 Sx. of Class "C" cement + additives, circulate cement to surface.
9 5/8"	Intermediate	Set 3000' of 9 5/8" 40.5# J-55 ST&C casing. Cement with 1200 Sx. of Class "C" cement + additives, circulate cement to surface.
5½"	Production	Set 11,000' of $5\frac{1}{2}$ " 17# LT&C casing as follows: 3000' of N-80, 6000' of J-55 & 2000' of N-80. Cement in 3 stages with DV tools at 9100' & 6000'. Cement with 1100 Sx. of Class "H" + additives, circulate cement on 3rd stage to surface.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" A 1500 Series 5000 PSI working pressure B.O.P. consisting of a double ram type prefentor with a bag type annular preventor B.O.P. will be hydraulically operated. Exhibit "E-1" shows choke manifold & closin unit. B.O.P. will be nippled up on 13 3/8" casing and will be operated at least once each 24 Hr. period while drilling and blind rams will be worked when out of hole on trips. Flow sensor, PVT, full opening stabbing valve and upper kelly cock will be utilized. No abnormal pressure or temperature is expected while drilling.

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISC.	FLUID LOSS	TYPE MUD
40-5001	8.6-8.8	29-32	NC	Fresh water spud mud use paper to control seepage.
DO NOT 500-3000'	10.5-10.8	BRIN'E.	NC FRESH	
3000-95001	8.6-8.8	29-36	NC	Fresh water use paper to contro seepage.
9500-11000	8.6-8.8	29-38	10 cc or less	Fresh water Dris-pac System use Gel to control viscosity, use high viscosity sweeps to clean hole.

Sufficient mud materls will be kept on location at all times in order to combat lost circulation, unexpected kicks. In order to run DST's, open hole logs, and run casing water loss & viscosity may have to be adjusted to meet these conditions.

APPLICATION TO DRILL

POGO PRODUCING COMPANY
PECOS "33" FEDERAL # 1
UNIT "M" SECTION 33
T19S-R27E EDDY CO. NM

12. TESTING, LOGGING, & COREING PROGRAM:

- A. Open hole logs: Dual-Laterolog, Gamma Ray Caliper, SNP, Sonic from TD to 3000' Run Gamma Ray, Neurton from 3000' to surface.
- B. Mud logger will be placed on hole from a depth to be dicided on by Geologist and will remain on the hole to TD.
- C. DST's will be run as shows dictate.
- D. Cores will be taken at the discretion of the Geologist.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered, H_2S detectors will be in place to detect any presence of unsafe levels of H_2S . No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operations of all equipment that will be used. Estimated BHP 5000 PSI & estimated BHT 178° .

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Roads and location construction will begin after the BLM approves the APD. Anticipated spud date will be as soon as pad & road construction has been completed. Drilling time for the well is estimated to take 43 days. If production casing is run an additional 30 days will be required to complete well and construct surface facilities.

15. OTHER FACETS OF OPERATION:

After running production casing, cased hole Gamma-Neutron & Collar logs will be run over all possible pay intervals. If commercial production from the MORROW pay is indicated it will be perforated and stimulated. Then if necessary the pay will be swab tested and completed as a gas well.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

- 1. All Company and Contract personnel admitted on location must be trained by a qualified H₂S safety instructor to the following:
 - A. Characteristics of H₂S
 - B. Physical effects and hazzards
 - C. Proper use of safety equipment and life support systems.
 - D. Principle and operation of H2S detectors, warning system and briefing areas.
 - E. Evacuation procedure, routes and first aid.
 - F. Proper use of 30 minute pressure demand air pack.
- 2. H₂S Detection and Alarm Systems
 - A. H₂S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.
- 3. Windsock and/or wind streamers
 - A. Windsock at mudpit area should be high enough to be visible.
 - B. Windsock at briefing area should be high enough to be visible.
 - C. There should be a windsock at entrance to location.
- 4. Condition Flags and Signs
 - A. Warning sign on access road to location.
 - B. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H₂S present in dangerous concentration. Only emergency personnel admitted to location.
- 5. Well control equipment
 - A. See exhibit "E"
- 6. Communication
 - A. While working under masks chalkboards will be used for communication.
 - B. Hand signals will be used where chalk board is inappropriate.
 - C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephoned will be available at most drilling foreman's trailer or living quarters.
- 7. Drillstem Testing
 - A. Exhausts will be watered.
 - B. Flare line will be equipped with an electric ignitor or a propane pilot light in case gas reaches the surface.
 - C. If location is near any dwelling a closed D.S.T. will be performed.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

- 8. Drilling contractor supervisor will be required to be familiar with the effects H_2S has on tubular goods and other mechanical equipment.
- 9. If H_2S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas seperator will be brought into service along with H_2S scavengers if necessary.

POGO PRODUCING COMPANY
PECOS "33" FEDERAL # 1
UNIT "M" SECTION 33
T1-S-R27E EDDY CO. NM

- 1. EXISTING ROADS: Area maps, Exhibit "B" is a reproduction of a County General Highway Map. Exhibit "C" is a reproduction of a USGS Topographic Map, showing existing roads and proposed roads. All existing roads will be maintained in a condition equal to or better than current conditions. Any new roads will be constructed to BLM specifications.
 - A. Exhibit "A" shows the proposed well site as staked.
 - B. From junction of U.S. Hi-way 62-180 and North Loop Road (CR-604) follow CR-604 North & West 4.5 miles turn on to CR-206 go 2.5 miles to CR-34 turn on to CR-34 go 8.7 miles to CR-236 (Netherlin Road) go Northeast
 - 2.6 miles turn East-on to lease road go .6 miles turn North go 900't to location.
 - C. If necessary lay pipelines and construct powerlijes along road R-O-W.
- 2. PLANNED ACCESS ROADS: Approximately 900' of new road will be constructed.
 - A. The access road will be crowned and dirched to a 12'00" wide travel surface with a 40' right-of-way.
 - B. Gradient on all roads will be less than 5.00%.
 - C. No turnouts will be necessary.
 - D. If needed, road will be surfaced with a minimum of 4" of caliche. This material will be obtained from a local source.
 - E. Centerline for the new access road has been flagged. Earthwork will be as required by field conditions.
 - F. Culverts in the access road will not be used. The road will be constructed to utilize low water crossings for drainage as required by the Topography.

3. LOCATION OF EXISTING WELLS IN A ONE-MILE RADIUS EXHIBIT "A-1"

Α.	Water wells	-	None known
В.	Disposal wells	-	None known
c.	Drilling wells	-	None Known
D.	Producing wells	-	As shown on Exhibit "A-1"
E.	Abandoned wells	_	As shown on Exhibit "A-1"

POGO PRODUCING COMPANY PECOS "33" FEDERAL # 1 UNIT "M" SECTION 33 T1-S-R27E EDDY CO. NM

4. If, upon completion this well is a producer Pogo Producing Company will furnish maps and/or plats showing on site facilities or off site facilities if needed. This will be accompanied with a Sundry Notice.

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and trucked over the access roads or piped in flexible lines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction will be obtained from the excavation of drill site, if additional material is needed it will be purchased from a local source and transported over the access route as shown on Exhibit "C".

7. METHODS OF HANDLING WASTE MATERIAL:

- A. Drill cuttings will be disposed of in the reserve pit.
- B. All trash, junk and other waste material will be contained in trash cages or bins to prevent scattering. When the job is completed all contents will be removed and disposed of in a approved sanitary land fill.
- C. Salts remaining after completion of well will be picked up by supplier including broken sacks.
- D. Sewage from living quarters will drain into holes with a minium depth of 10'. These holes will be covered during drilling and will be back filled upon completion. A Ports-John will be provided for the rig craws. This equipment will be properly maintained during the drilling operations and removed upon completion of the well.
- E. Remaining drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry enough for breaking out. In the event that drilling fluids do not evaporate in a reasonable time they will be hauled off by transports and be disposed of at a state approved disposal facility. Later pits will be broken out to speed drying. Water produced during testing will be put in reserve pits. Any oil or condensate produced will be stored in test tanks until sold and hauled from the site.

8. ANCILLARY FACILITIES:

A. No camps or airstrips to be constructed.

POGO PRODUCING COMPANY PECOS "33" FEDERAL # 1 UNIT "M" SECTION 33 T1-S-R27E EDDY CO. NM

9. WELL SITE LAYOUT:

- A. Exhibit "D" shows the proposed well site layout.
- B. This exhibit indicated proposed location of reserve and sump pits and living facilities.
- C. Mud pits in the active circulating system will be steel pits & the reserve pit is proposed to be unlined unless subsurface condition encountered during pit construction indicate that lining is needed for lateral containment of fluids.
- D. If needed, the reserve pit is to be lined with polyethelene. The pit liner will be 6 mils thick. Pit liner will entend a minimum of 2'00" over the reserve pits dikes where the liner will be anchored down.
- E. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

10. PLANS FOR RESTORATION OF SURFACE:

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

However, in either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.B as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be contoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which are not required for production facilities.

POGO PRODUCING COMPANY
PECOS "33" FEDERAL # 1
UNIT "M" SECTION 33
T1-S-R27E EDDY CO. NM

11. OTHER INFORMATION:

- A. Topography consists of low lying caliche hills, with mesqiite and native grasses growing in the valleys.
- B. Surface is owned by the Bureau of Land Management U.S. Department of Interior. Surface is used for grazing of livestock and is leased to ranchers for this purpose.
- C. An archaeological survey will be conducted and copies of the survey will be filed in the Carlsbad Office of The Bureau of Land Management.
- D. There are no dwellings or habitation within three miles of this location.

12. OPERATORS REPRESENTIVE:

Before construction:

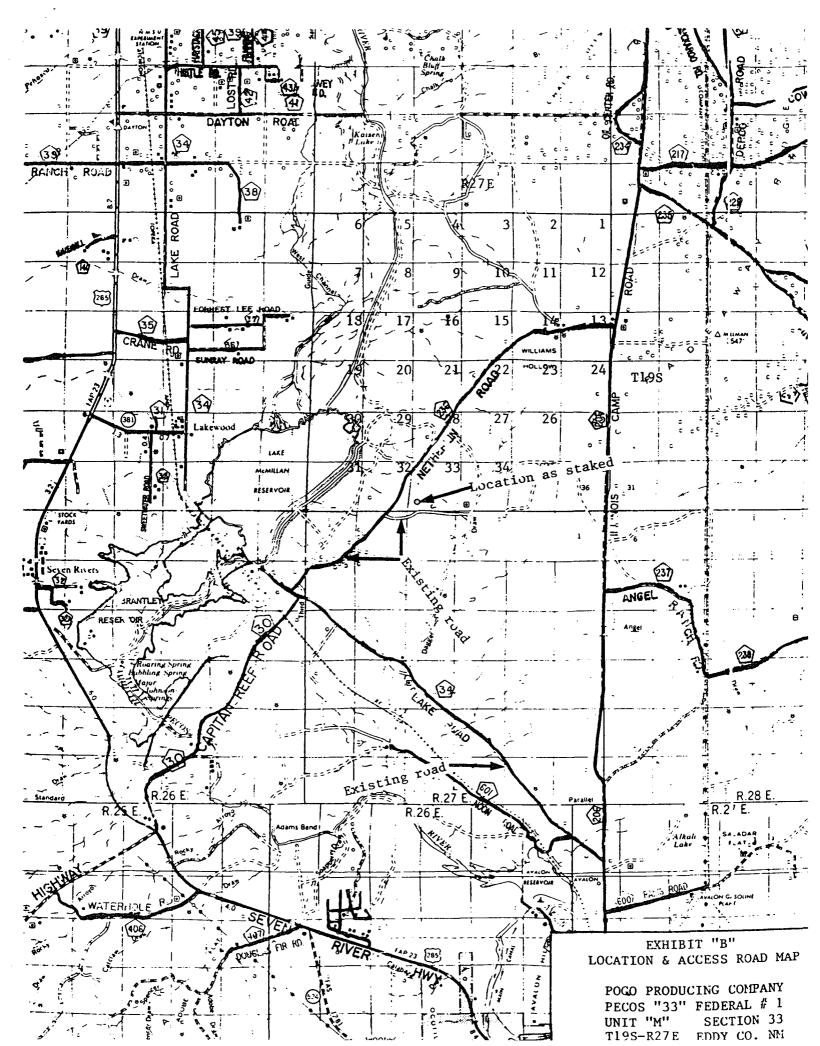
TIERRA EXPLORATION INC. P.O. BOX 2188 HOBBS, NEW MEXICO 88241 OFFICE PHONE 505-392-2112 JOE T. JANICA

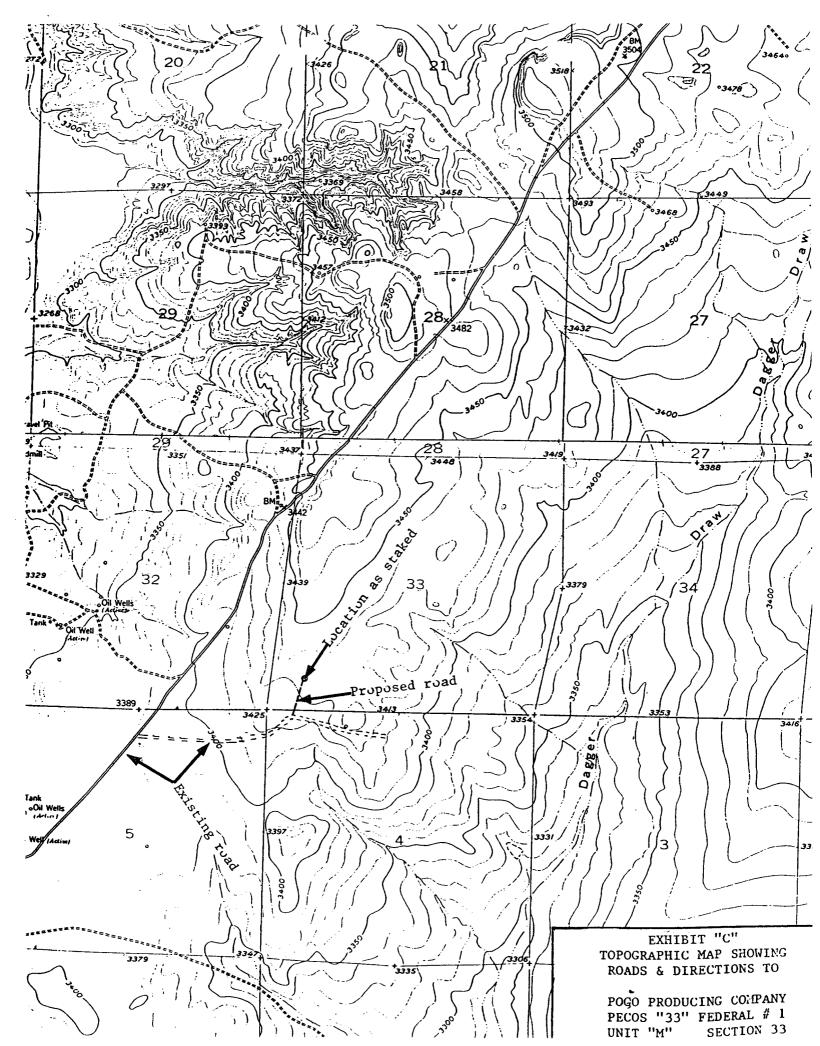
During and after construction:

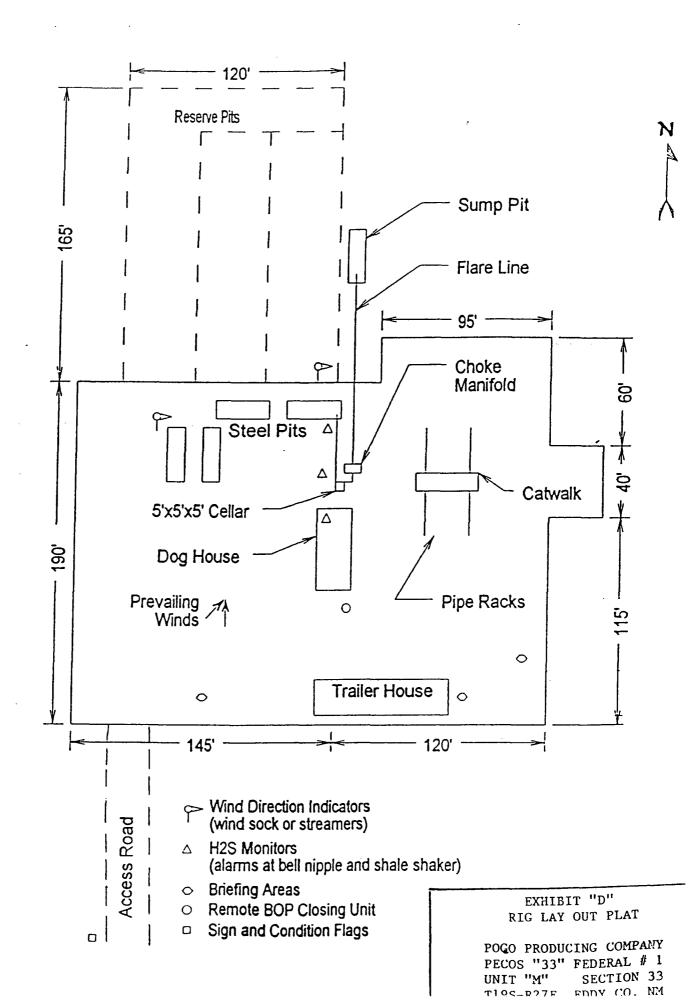
POGO PRODUCING COMPANY
P.O. BOX 10340
MIDLAND, TEXAS 79702-7340
OFFICE PHONE 915-685-8100
MR. RICHARD WRIGHT 915-685-8140

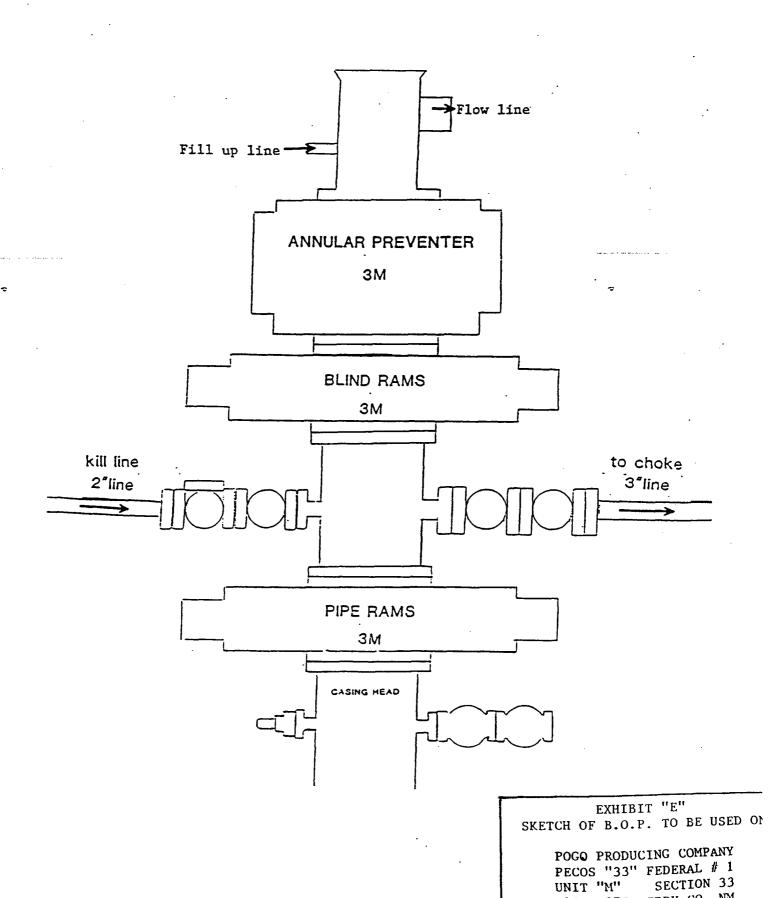
3. CERTIFICATION: - I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Pogo Producing company, its contractors/subcontractors is in the conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provision of U.S.C. 1001 for the filing of a false statement.

NAME : / CONTINUE CON

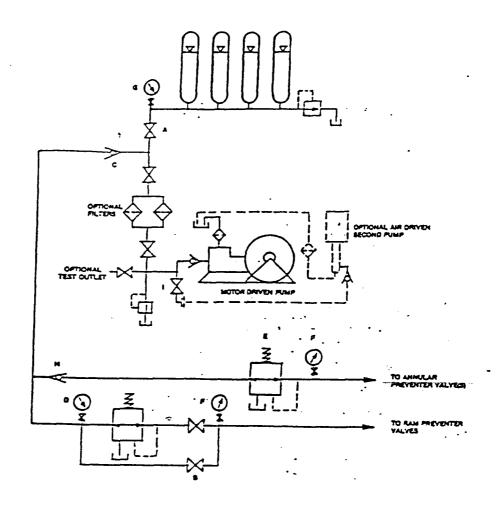








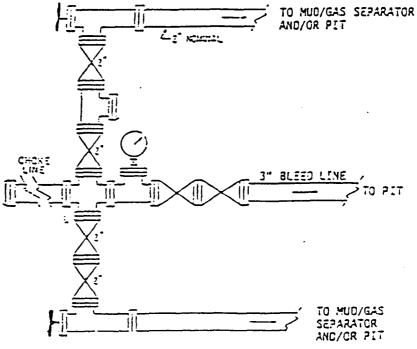
T19S-R27E EDDY CO. NM



HAND AJUSTABLE CHOKE



3" LINE FROM BOP'S



HAND AUUSTABLE CHCKE

EXHIBIT "E-1"
CHOKE MANIFOLD & COLSING UNIT

POGO PRODUCING COMPANY
PECOS "33" FEDERAL # 1
UNIT "M" SECTION 33
T109-P27F FDDY CO. NM

