RESUBMITTAL

F-06-26
3/13/06

Form (July) **If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.**

E OCD-ARTESIA
E INTERIOR
AGEMENT

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.: NM-11038

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] 33486

b. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER SINGLE ZONE [ ] MULTIPLE ZONE [ ]

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME, WELL NO.: Cimarron 23 Federal #6 Q

2. NAME OF OPERATOR: Pogo Producinc Company 17891

9. API WELL NO.: 30-015-34805

3. ADDRESS AND TELEPHONE NO.: P.O. Box 10340, Midland, TX 79702-7340 432-685-8100

10. FIELD AND POOL, OR WILDCAT: Brushy Draw Delaware

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) 8040
At surface: 1900' FNL & 2310' FWL, Section 23
At proposed prod. zone: same

RECEIVED
APR 20 2006
OCD-ARTESIA

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Section 23, T26S, R29E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: Approximately 20 miles SE of Malaga New Mexico

12. COUNTY OR PARISH: Eddy County

13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
1900	600	40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	19. PROPOSED DEPTH	20. ROTARY OR CABLE TOOLS
1400	5300	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 2928' GR

22. APPROX. DATE WORK WILL START*: when approved

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	Cmt to surface w/ Redi-mix
12-1/4	8-5/8 J-55	32	650	655 sks - circ to surface
7-7/8	5-1/2 J-55	15.5	5300	1350 sks - circ to surface

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cmt to surface w/ Redi-mix.
2. Drill 12-1/4" hole to 600'. Run & set 600' of 8-5/8" 32# J-55 ST&C csg. Cmt w/ 655 sxs Cl "C" cmt + 2% CaCl2 + ¼# Flocele/sx. Circ cmt to surface.
3. Drill 7-7/8" hole to 5300'. Run & set 5300' of 5-1/2" 15.5# J-55 ST&C csg. Cmt in 2 stages w/ DV tool @ ±2800'. Cmt 1st stage w/ 750 sxs Cl "C" cmt + add. Cmt 2nd stage w/ 600 sxs Cl "C" cmt + add. Circ cmt to surface.

Witness Surface Casing

Carlsbad Controlled Water Basin

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

IN ABOVE SPACE DESCRIBE PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Cathy Wright TITLE Sr Eng Tech DATE 3/10/06

(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 those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY /s/ James Stovall TITLE ACTING FIELD MANAGER DATE APR 19 2006

*See Instructions On Reverse Side

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001, makes 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.

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	8080	BRUSHY DRAW-DELAWARE

Property Code	Property Name	Well Number
	CIMARRON "23" FEDERAL	6

OGRID No.	Operator Name	Elevation
17891	POGO PRODUCING COMPANY	2928'

Surface Location

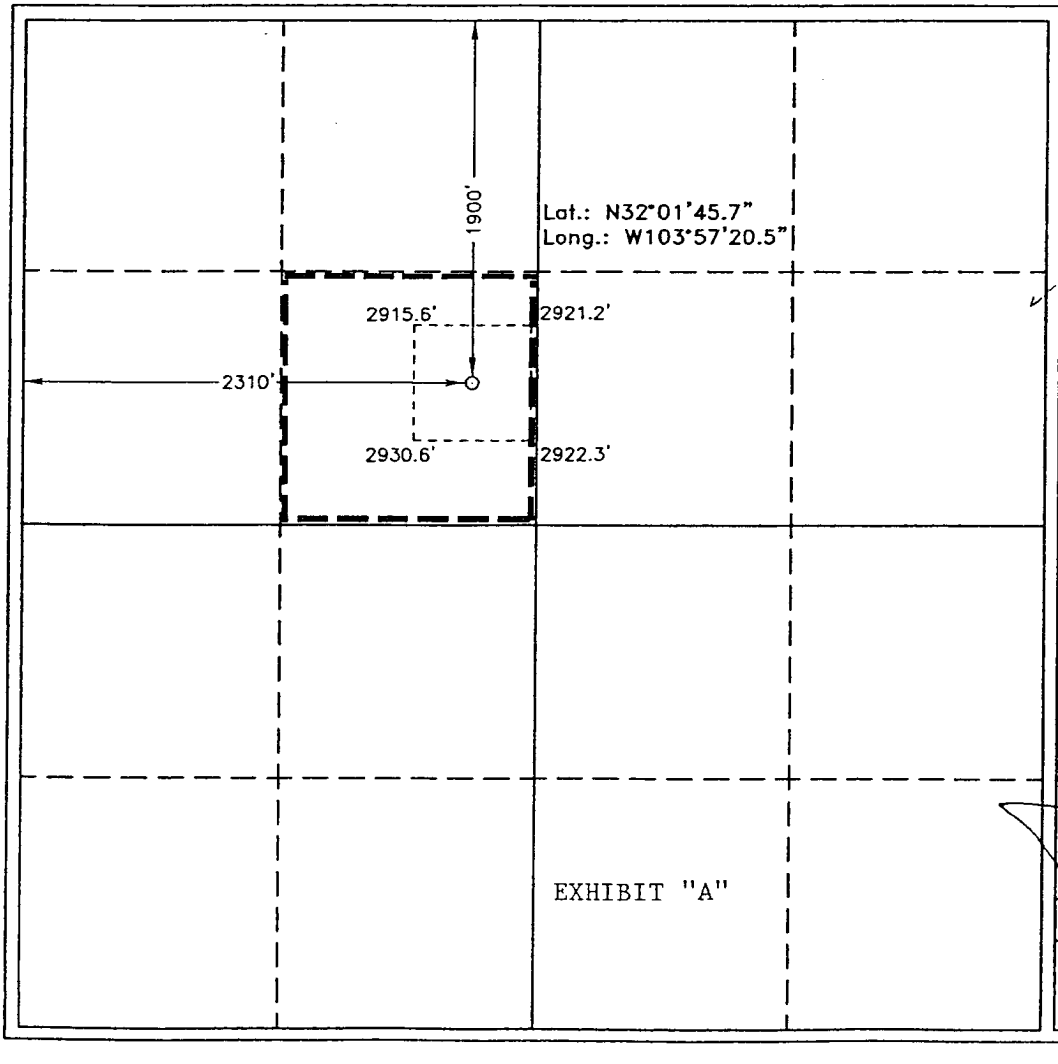
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	23	26 S	29 E		1900	NORTH	2310	WEST	EDDY

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 or Infill	Consolidation Code	Order No.
40			

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.

Signature

Joe T. Janica

Printed Name

Agent

Title

09/03/04

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 supervison, and that the same is true and correct to the best of my belief.

JULY 19, 2004

Date Surveyed

Signature & Seal of Professional Surveyor

W.O. No. 4457

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

APPLICATION TO DRILL

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL # 6
UNIT "F" SECTION 23
T26S-R29E 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: 1900' FNL & 2310' FWL SECTION 23 T26S-R29E EDDY CO. NM

2. Elevation above Sea Level: 2928' 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: 5300'

6. Estimated tops of geological markers:

Basal Anhydrite	2776'	Cherry CAnyon	3914'
Delaware Lime	2979'	Brushy Canyon	5176'
Bell Canyon	3080'	Bone Spring	6900'

7. Possible mineral bearing formations:

Brushy Canyon	Oil

8. Casing program:

Hole size	Interval	OD of casing	Weight	Thread	Collar	Grade
25"	0-40	20"	NA	NA	NA	Conductor
12¼"	0-~~600~~ 650'	8 5/8"	32#	8-R	ST&C	J-55
7 7/8"	0-5300'	5½"	15.5#	8-R	ST&C	J-55

APPLICATION TO DRILL

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL # 6
UNIT "F" SECTION 23
T26S-R29E EDDY CO. NM

9. CEMENTING & CASING SETTING DEPTHS:

20"	Conductor	Set 40' of 20" conductor and cement to surface wity Redi-mix.
8 5/8"	Surface	Set 650' of 8 5/8" 32# J-55 ST&C casing. CEment with 655 Sx. of Class "C" cement + 2% CaCl, + ¼# Flocele/Sx, circulate cement to surface.
5½"	Production	Set 5300' of 5½" 15.5# J-55 ST&C casing. Cement in two stages with DV Tool at 2800'±. Cement 1st stage with 750 Sx. of Class "C" cement + additives, Cement 2nd stage with 600 Sx. of Class "C" cement + additives, circulate cement to surface.

10. PRESSURE CONTROL EQUIPMENT:

Exhibit "E" shows a 2000 PSI working pressure B.O.P., consisting of a stripper heas instead of an annular preventor, blind rams, and pipe rams. This B.O.P. stack is being used because of Substructure height limitations of the drilling rig being used to drill this well. Pressures encountered during drilling are not expected to exceed 1700 PSI at total depth. Pogo requests permission to 3rd party test of the B.O.P. The B.O.P. will be nippled up on the 8 5/8" casing and will be tested according to API specifications. Exhibit "E-1" shows a manually operated chole manifold, as no remote closing unit will be required.

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISC.	FLUID LOSS	TYPE MUD
40-650'	8.4-8.7	29-32	NC	Fresh water use paper to control seepage.
650-5300'	10.0-10.2	29-38	NC*	Brine water use paper to control seepage and high viscosity sweeps to clesn hole.

* Water loss may have to be controled in order to protect formation from damage, run open hole logs, DST's and casing. If these conditions are required then a Polymer base mud should beused.

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL # 6
UNIT "F" SECTION 23
T26S-R29E EDDY CO. NM

12. LOGGING, CORING, AND TESTING PROGRAM:

A. Open hole logs: Dual Laterolog, SNP, LDT, Gamma Ray, CAliper from TD back to the 8 5/8" casing shoe.

B. Cased hole log: Gamma Ray, Neutron from 8 5/8" casing shoe back to surface.

C. No cores, DST's are planned at this time, a mud logger may be placed on the hole at the geologists reccommendation.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. There is no known presence of H^2S in this area. If H^2S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 1700 PSI, and Estimated BHT 130°.

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operation and drilling is expected to take 8 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flowlines in order to place well on production.

15. OTHER FACETS OF OPERATIONS:

After running casing, cased hole Gamma Ray, Neutron Collar logs will be run from TD back to all possible productive zones. The DELAWARE formation will be perforated and stimulated in order to establish production. The well will be swab tested and potentialed as an oil well.

1. All Company and Contract personnel admitted on location must be trained by a qualified H_2S safety instructor to the following:

   A. Characteristics of H_2S
   B. Physical effects and hazzards
   C. Proper use of safety equipment and life support systems.
   D. Principle and operation of H_2S detectors, warning system and briefing areas.
   E. Evacuation procedure, routes and first aid.
   F. Proper use of 30 minute pressure demand air pack.

2. H_2S Detection and Alarm Systems

   A. H_2S 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, H_2S present in dangerous concentration. Only emergency personnel admitted to location.

5. Well control equipment

   A. See exhibit "E" & "E-1"

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 the location is near to a dwelling a closed DST will be performed.

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.

SURFACE USE PLAN

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL # 6
UNIT "F" SECTION 23
T26S-R29E EDDY CO. NM

1. EXISTING ROADS & PROPOSED ROADS: Area maps; Exhibit "B" is a reproduction of a County General Hi-way Map. Exhibit "C" is a reproduction of a USGS Topographic Map, showing existing 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 Malaga New Mexico take U.S Hi-way 285 South for 12.6 miles to Co. Road 725 (Whitethorn Road) turn Left (East) go 4.2 miles bear Right on Co Road 725 go 3.9 miles bear Right follow lease road 3 miles, turn Left go approximately 750' to Breck Operating Co. well (Booth Federal # 3) go Southeast 66' the East 275', then approximately .5 miles to location.

   C. Exhibit "F" shows the anticipated routes of flowlines and roads into these well locations.

2. PLANNED ACCESS ROADS: Approximately 1850' of new rosd will be constructed.

   A. The access roads will be crowned and ditched to a 12' wide travel surface with a 40' Right-of-Way.

   B, Gradient of all roads will be less than 5.00%.

   C. If turn-outs are necessary they will be constructed.

   D. If needed roads will be surfaced with a minimum of 4" of caliche. This material will be obtained from a local source.

   E. Center-line for new roads will be flagged. Earth-work will be will be done as field conditions require.

   F. Culverts will be placed in the access road if they are necessary. The roads will be constructed to utilaze low water crossings for drainage as required by topography.

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

   A. Water wells - One approximately 1 mile west of location.

   B. 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"

4. If on completion this well is a producer the operator will lay pipelines and construct powerlines along existing road R-O-W's or other existing R-O-W's. Possible routes of pipelines, flowlines and powerlines are shown on Exhibit "C".

5. LOCATION AND TYPE OF WATER SUPPLY:

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

6. SOURCE OF CONSTRUCTION MATERIAL:

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

7. METHODS OF HANDLING WASTE MATERIAL:

A. Drill cuttings will be disposed of in the reserve pits.

B. All trash, junk and other waste material will be contained in trash cages or trash 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 the supplier, including broken sacks.

D. Waste water from living quaters will be drained into holes with a minium of 10'. These holes will be covered during drilling and will be back filled when the well is completed. A Porto-John will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.

E. Remaining drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry enough to be broken out for furthed drying. If the drilling fluids do not evaporate in a reasonable time they will be hauled off by transports to a state approve disposal site. Later pips will be broken out to speed drying. Water produced during completion will be put in reserve pits. Oil and condensate produced will be put in storage tanks and sold.

8. ANCILLARY FACILITIES:

A. No camps or air strips will be constructed on location.

9. WELL SITE LAYOUT

A.

B. This exhibit indicates proposed location of reserve and trash pits; and living facilities.

C. Mud pits in the active circulating system will be steel pits and 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 PVC or polyethylene line. The pit liner will be 6 mils thick. Pit liner will extend a minimum, 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 recountered 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.

SURFACE USE PLAN

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL # 6
UNIT "F" SECTION 23
T26S-R29E EDDY CO. NM

11. ADDITIONAL INFORMATION:

A. Topography consists of low lying hills with a dip of 1-5% to theNorth-west, drainage is into Brushy Draw, an intermittant tributary of the Pecos River. Soil consists of calcareous gravelly sandy loam, vegetation consists of creosotebush, Acacia, prickley pear, barrel cactus, broom snakeweed, mesquite, and native grasses.

B. Surface is owned by the U.S. Government and is administered by the Bureau of Land Management. The surface is used for grazing livestock and the production of oil and gas.

C. An archaeological survey will be conducted on the location and access roads. This report will be filed with The Bureau of Land Management in the Carlsbad field office.

D. No dwellings located within 2 miles of location.

12. OPERATORS REPRESENTIVES:

Before construction:

TIERRA EXPLORATION, INC
P.O. BOX 2188
HOBBS, NEW MEXICO 88241
OFFICE Ph. 505-391-8503
JOE T. JANICA

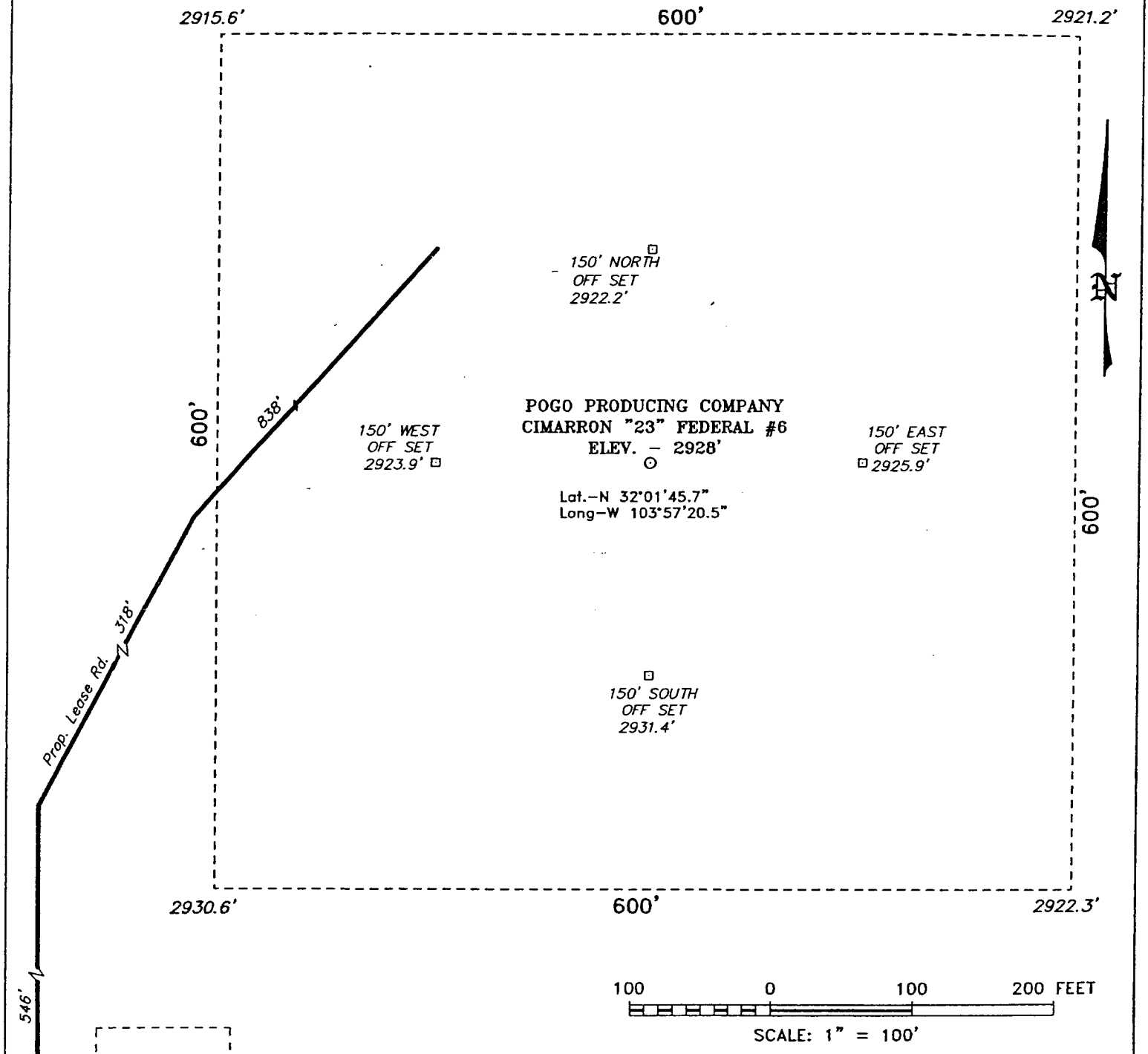
During and after construction:

POGO PRODUCING COMPANY
P.O. BOX 10340
MIDLAND, TEXAS 79702-7340
OFFICE Ph. 432-685-8100
Mr. RICHARD WRIGHT 432-685-8140

13. CERTIFICATION: I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access roads, and that I am fimiliar 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 it's contractors/subcontractors is in compformity 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 report.

NAME : Joe T Janica
DATE : 09/03/04
TITLE : Agent

SECTION 23, TOWNSHIP 26 SOUTH, RANGE 29 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



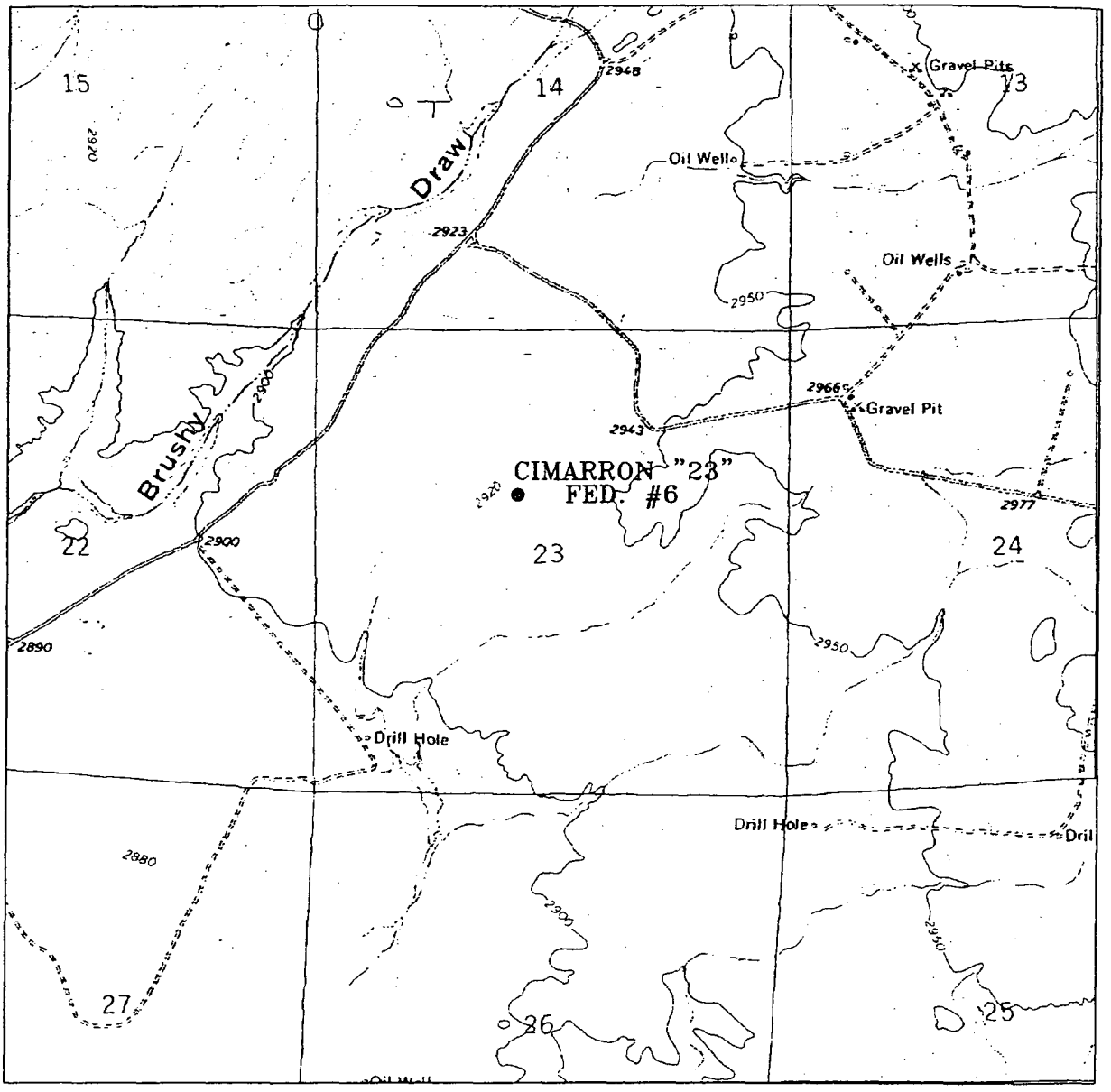
POGO PRODUCING CO.

REF: CIMARRON "23" FED. #6 / Well Pad Topo

THE CIMARRON "23" FED. No. 6 LOCATED 1900' FROM THE NORTH LINE AND 2310' FROM THE WEST LINE OF SECTION 23, TOWNSHIP 26 SOUTH, RANGE 29 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 4457	Drawn By: K. GOAD		
Date: 07-21-2004	Disk: KJG CD#4 - 4457A.DWG	Survey Date: 07-19-2004	Sheet 1 of 1 Sheets



CIMARRON "23" FEDERAL #6
Located at 1900' FNL and 2310' FWL
Section 23, Township 26 South, Range 29 East,
N.M.P.M., Eddy County, New Mexico.

basin surveys
focused on excellence in the oilfield

P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

W.O. Number:	4457AA - KJG CD#5
Survey Date:	07-19-2004
Scale:	1" = 2000'
Date:	07-21-2004

POGO PRODUCING COMPANY

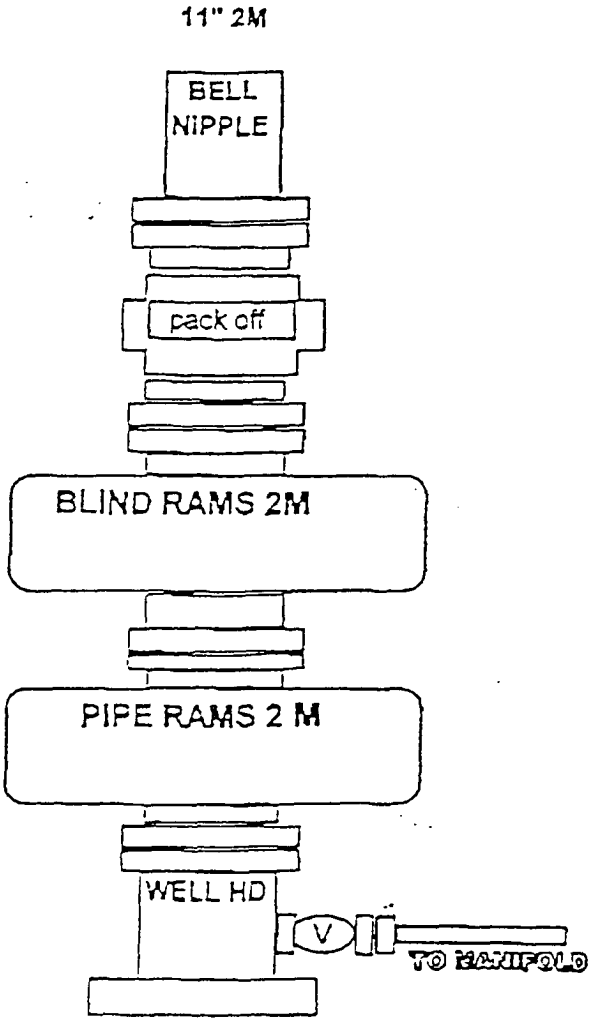


EXHIBIT "E"
SKETCH OF B.O.P. TO BE USED ON

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL # 6
UNIT "F" SECTION 23
T26S-R29E EDDY CO. NM

CHOKE MANIFOLD

3000 PSI WP

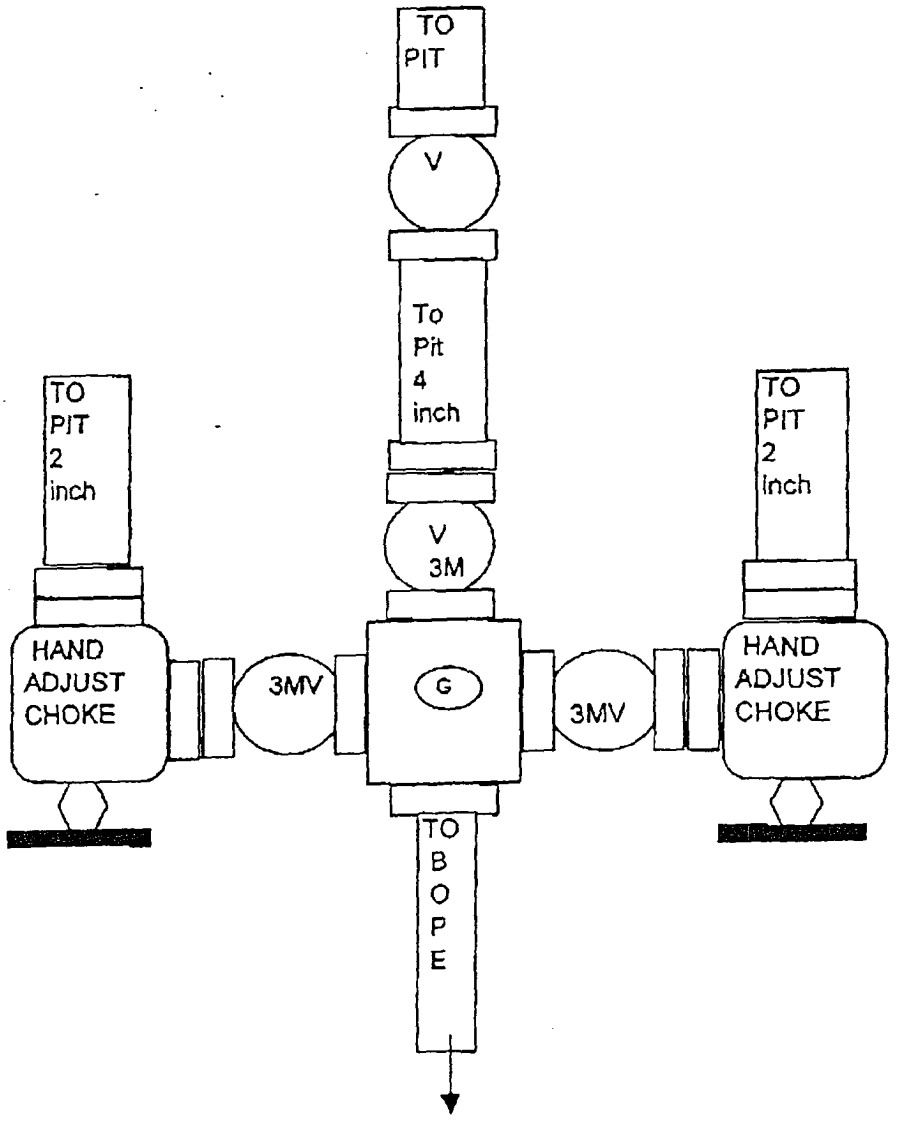


EXHIBIT "E-1"
SKETCH OF CHOKE MANIFOLD

POGO PRODUCING COMPANY
CIMARRON "23" FEDERAL #6
UNIT "F" SECTION 23
T26S-R29E EDDY CO. NM

CONDITIONS OF APPROVAL - DRILLING

Operator's Name: Pogo Producing Company
Well Name & No: Cimarron 23 Federal No. 06
Location: Surface 1900' FNL & 2310' FWL, Sec.23, T. 26 S. R. 29 E.
Lease: NMNM 11038
Eddy County, New Mexico

I. DRILLING OPERATIONS REQUIREMENTS:

1. The Bureau of Land Management (BLM) is to be notified at the Roswell Field Office, 2909 West Second St., Roswell, NM 88201, (505) 627-0272 for wells in Chaves and Roosevelt Counties; the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822 for wells in Eddy County; and the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (505) 393-3612 for wells in Lea County, in sufficient time for a representative to witness:

A. Spudding

B. Cementing casing: 8 ⅝ inch; 5 ½ inch;

C. BOP Tests

2. A Hydrogen Sulfide (H2S) Drilling Plan is not required for this well bore. However, some Delaware wells in the section to the SE has some H2S in produced gas. The operator shall confirm that all personnel and rig hands are known to have H2S safety awareness training. Caution shall be taken as to exposed gas from the return flow line and any signs of H2S presence.

3. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

4. Submit a Sundry Notice (Form 3160-5, one original and five copies) for each casing string, describing the casing and cementing operations. Include pertinent information such as; spud date, hole size, casing (size, weight, grade and thread type), cement (type, quantity and top), water zones and problems or hazards encountered. The Sundry shall be submitted within 15 days of completion of each casing string. The reports may be combined into the same Sundry if they fall within the same 15 day time frame.

5. The API No. assigned to the well by NMOCD shall be included on the subsequent report of setting the first casing string.

II. CASING:

1. The 13 ⅜ inch shall be set at 650 Feet with cement circulated to the surface. If cement does not circulate to the surface the appropriate BLM office shall be notified and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string.

2. The minimum required fill of cement behind the 5 ½ inch Production casing is to **circulate to surface.**

III. PRESSURE CONTROL:

1. All BOP systems and related equipment shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2. The BOP and related equipment shall be installed and operational before drilling below the 13 ⅜ inch casing shoe and shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.

(III Cont):

2. Minimum working pressure of the blowout preventer and related equipment (BOPE) shall be **2 M psi.**

3. The appropriate BLM office shall be notified in sufficient time for a representative to witness the test.

-The test shall be done by an independent service company
-The results of the test shall be reported to the appropriate BLM office.
-Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures.
-Use of drilling mud for testing is not permitted since it can mask small leaks.
-Testing must be done in safe workman-like manner. Hard line connections shall be required.
-Both low pressure and high pressure testing of BOPE is required.

G. Gourley RFO