#### Form 3160-3 (July 1992)

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

## UNITED \$60769. Grand Avenue Supplied In TRIPLICATES

FORM APPROVED OMB NO. 1004-0136

	DEPARTMENT C	F THE INTE	RIOR	M OCOMO	reverse side)	Expires: Fe	bruary 28, 1995
	BUREAU OF LAN			M 88210		5. LEASE DESIGNATION NM-100851	ON AND SERIAL NO.
APPLIC	ATION FOR PER	MIT TO DR	ILL C	R DEEPEN		6. IF INDIAN, ALLOTT	EE OR TRIBE NAME
1a. TYPE OF WORK  DI  b. TYPE OF WELL	RILL	DEEPEN [			1872	7. UNIT AGREEMENT	NAME
OII	GAS WELL OTHER		S	INGLE X	MULTIPLE ZONE	8 5454 05 15405 14	AME WELL NO.
2. NAME OF OPERATOR	WELL COMER			··	ZUNE	8. FARM OR LEASE N	on 29 Federal #2
·	Pogo Producing	Company		17891		9. API WELL NO.	
3. ADDRESS AND TELEPHON P. O. Box 1	ENO. 0340, Midland,T	x 79702-73	340	RE	CEIVED	10. FIELD AND POOL	5 - 34874 OR WILDCAT
4. LOCATION OF WELL (Repo	rt location clearly and in accordanc	e with any State require	ments.*)	MAY	1 7 2006	Cedar Canyo	
At proposed prod. zone	FNL & 330' FEL	, Section 2	29		MATERI		AREA /1940
14 DISTANCE IN MILES AND	SAME DIRECTION FROM NEAREST TO	MIN OF POST OFFICE	•			Section 29,	T24S, R29E
		•			•		
5 miles East S 15. DISTANCE FROM PROPO	Southeast of Lov	ing New Mex		OF ACRES IN LEASE	17. NO	Eddy County  D. OF ACRES ASSIGNED	NM
LOCATION TO NEAREST		330		40		THIS WELL 40	1
PROPERTY OR LEASE LIN (Also to nearest drig, unit line 18. DISTANCE FROM PROPO		330	19. PRC	POSED DEPTH	20. R	OTARY OR CABLE TOOLS	,
TO NEAREST WELL, DRILL OR APPLIED FOR, ON THIS	LING, COMPLETED,	lst well		5500		otary	
21. ELEVATIONS (Show wheth		2946' GL				22. APPROX. DATE	_
23.		PROPOSED CAS	SING AN	D CEMENTING PRO	GRAM		
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FO	оот	SETTING DEPT	н	QUANTITY OF C	EMENT
14-3/4	10-3/4 H-40	32.75		550	NES 555	O sks Cl C - c	rc to surface
7-7/8	5-1/2 J-55	15.5		5500		00 sks - TOC 29	
<del>-</del>	tor proposes to cific programs a	•	_		nt to tes	· ·	
Drilling H	Program						
Surface Us	se and Operating	Plan					
	- Road map				approv	al subject t	
Exhibit B - Existing well map GENERAL REQUIREMENTS AND					ENTS AND		
	- Location and -1 - Topo map	dedication	ртат		and the same	l supulation	18
		lavout			attach		_
Exhibit D - Drilling rig layout  Exhibit E - 3M BOP Equipment  Exhibit E - 3M BOP Equipment  Exhibit E - 3M BOP Equipment  Exhibit E - 3M BOP Equipment					th the drilling of th		
deepen directionally, give p	IBE PROGRAM: If proposal is ertinent data on subsurface to					well, an OCD obtained prio	pit permit must be r to pit construction
24. SIGNED	by While	TTT	LE	Sr. Eng Tec	ch	DATE	09/28/05
(This space for Federal of	or State office use						
PERMIT NO.				APPROVAL DATE			
Application approval does no	t warrant or certify that the applica						
CONDITIONS OF APPROVA	/Russell E. Sor	AC		ID MANA	GER	**	MAY 1 <i>3</i> 2006

\*See Instructions On Reverse Side \*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. DISTRICT I . P.O. Box 1980, Hobbs, NM 88241-1980

#### State of New Mexico

Energy, Minerals and Natural Resources Department

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., Aztec, NM 87410 OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504-2088

DISTRICT IV P.O. BOX 2088, SANTA PE. N.M. 67504-2088

AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number			Pool Code	C	EDAR CANYO	Pool Name	(E)		
Property Code			CEDAR C		Well Number				
OGRED No.			POGO PI	Operator Nan RODUCING (			Elevation 2946	_	
	<u></u>			Surface Loc	ation		<u> </u>		
UL or lot No. Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
A 29	24 S	29 E		990	NORTH		330 EAST EDDY		
UL or lot No. Section	Township	Bottom	Hole Loca	Feet from the	erent From Sur	face Feet from the	East/West line	Canada	
OL of lot No. Section	Township	nauge	Lot Idi	reet from the	North/South Ime	reet from the	Last/ west line	County	
Dedicated Acres Joint of	Infill Con	solidation (	Code Orde	er No.	dara,		<del></del>		
NO ALLOWABLE W					INTIL ALL INTER APPROVED BY 1		EN CONSOLIDA	TED	
			2947.7'	2945.1° 2944.8°  EXHIBIT	3330	I hereby contained herein best of my known in the signature of the surveys supervison, and correct to the surveys supervison, and correct to the surveys supervison and correct to the surveys supervisor and correct to the s	M.C. Ritch	ION  ION  ION  ION  ION  ION  ION  ION	

#### DRILLING PROGRAM

Attached to Form 3160-3

Pogo Producing Company

Cedar Canyon "29" Federal No.2 990' FNL & 330' FEL Unit Letter A, NW/NE Section 29, T24S, R29E Eddy County, New Mexico

- 1. Geologic Name of Surface Formation: Permian
- 2. Estimated Tops of Important Geologic Markers and
- 3. Estimated Depths of Fresh Water, Oil, and Gas:

<u>Formation</u>	Depth	Fluid Content
Permian	Surface	
Rustler Anhydrite	500'	
Top of Salt	900'	
Base of Salt	2800'	
Lamar Lime	3250'	
Delaware Sands	3400'	Oil
Total Depth	5 <b>500'</b>	

No other formations are expected to give up oil, gas, or fresh water in measurable quantities. The surface fresh water sands will be protected by setting 10-3/4" casing at 550' into the Rustler anhydrite and circulating cement to surface. 5-1/2" production casing will be set at TD, and cement will be brought back to surface, thus ensuring that all zones are adequately isolated.

The pore pressure gradient is normal (+8.4 ppg) down through the Delaware. No abnormal pressures are anticipated.

#### 4. Casing and Cementing Program

	Casin	g		
Hole Size	From	To	Casing OD	Weight, Grade, Coupling, Cond,
14-3/4" 7-7/8"	0' 0	550' TD	10-3/4" 5-1/2"	40.5# J-55 STC new 15.5# J-55 LTC new

All used casing will be drifted and hydrostatically tested to at least 90% of new pipe rating.

Minimum Design Factors: Collapse 1.125, Burst 1.1, Tension 1.7

CEDAR CANYON "29" FEDERAL No. 2 DRILLING PROGRAM PAGE 2 OF 5

#### 10-3/4" surface casing set at 550'

The surface casing will be set into the Rustler anhydrite to protect all fresh water formations. Centralize the bottom 3 joints and every 4th joint to surface. Cement to surface with 550 sx of Class C with 2% CaCl2.

5-1/2" production casing set at TD' Centralize every 4<sup>th</sup> joint from TD to bottom of the surface casing. Cement with 1000 sx cement. Top of cement at 2900' Note: Contingency string of 7-5/8" could be set at 2850' if unconsolidated sand encountered at ±1100'. This would change production portion of hole to 6-3/4" and 4-1/2" casing would be set.

#### 5. Minimum Specifications for Pressure Control:

#### 7-7/8" hole

The following BOP equipment will be nippled up on the 10-3/4" casing and used continuously until TD is reached for the 7-7/8" hole.

The blowout preventer equipment (BOP) shown in Exhibit E will consist of a 3000 psi WP double ram type preventer or a 3M annular (bag type) preventer. Both BOP's will be hydraulically operated. At the drilling contractor's option, 5M BOP's may be substituted. H2S trim will not be required.

Before drilling out from under the 10-3/4" casing, all BOP's and accessory equipment will be tested to 2000 psi. Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets.

BLM method to calculate minimum BOP requirements: (.052)(8.4 ppg)(5500') - (0.22 psi/ft)(5500') = 1650 psiMinimum BOP requirements: 2M BOP stack and manifold system

#### 6. Proposed Mud System:

The well will be drilled to TD with a combination of fresh water and 10# brine. The applicable depths and properties of this system are as follows:

<u>Depth</u>	Type	Weight (ppg)	Viscosity (sec)	Water Loss (cc)
0-550'	Fresh water	8.4	28	NC
550-5500'	Brine	10.0	29	NC

Sufficient mud materials to maintain mud properties and meet minimum lost circulation requirements will be kept at the wellsite at all times.

#### 7. Auxiliary Well Control and Monitoring Equipment:

- a) A kelly cock will be kept in the string at all times.
- b) A full opening drill pipe stabbing valve (TIW/inside BOP) with proper drill pipe connections will be on the rig floor at all times.
- c) An electronic pit volume totalizer system will not be used. The drilling fluids system will be visually monitored at all times.
- d) A mudlogging unit might be used to monitor drilling penetration rate and hydrocarbon shows from 2900' to TD.

#### 8. Logging, Testing, and Coring Program:

- a) Drillstem tests will be run on the basis of drilling shows.
- b) The electric logging program will consist of:
  - 1) 7-7/8" hole Gamma ray, dual induction log, compensated neutron and litho-density logs.
- c) No conventional cores are planned. Selected intervals may be sidewall cored based upon shows and openhole logs.
- d) Further testing procedures will be determined after the 5-1/2" production casing has been cemented at TD.

#### 9. Abnormal Conditions, Pressures, Temperatures, and Potential Hazards:

No abnormal pressures, temperatures, or other potential hazard are anticipated.

No hydrogen sulfide or other hazardous gases or fluids have been encountered, reported, or are known to exist at this depth in this area. No major lost circulation zones have been reported in offsetting wells.

The maximum anticipated bottom hole pressure is approximately 2382 psi. (5500'  $\times$  .433 psi/ft = 2382 psi.) The maximum anticipated bottom hole temperature is 108 deg F.

#### 10. Anticipated Starting Date and Duration of Operations:

Road and location work will not begin until approval has been received from the BLM. The anticipated spud date is 4<sup>th</sup> quarter, 1998. Once commenced, the drilling operation should be complete in 15 days. If the well is productive, an additional 30 days will be required for completion, testing, and installation of permanent facilities.

#### SURFACE USE AND OPERATING PLAN

Attached to Form 3160-3

Pogo Producing Company

Cedar Canyon "29" Federal No. 2 990' FNL & 330' FEL Unit Letter A, NW/NE Section 29, T24S, R29E Eddy County, New Mexico

Located:

5 miles east southeast of Loving, New Mexico

Federal Lease Number:

NM-86909

Lease Issued:

9-1-96

Acres in Lease:

40 acres

Record Lessee:

Pogo Producing Company

Surface Ownership:

U.S.A.

Grazing Permittee:

Raymond McDonald

P.O. Box 66

Loving, New Mexico 88265

Pool:

Cedar Canyon (Delaware)

Pool Rules:

The 40 acre oil well spacing rules apply to this location, being 330' to the nearest side boundary or 1/4-1/4 section line, nor closer than 330' to the nearest well capable of producing from the same formation.

Exhibits:

A. Road Map

B. Existing Wells Map

C. Well Location and Acreage Dedication Plat

C-1. Topo Map

D. Drilling Rig Layout Diagram

E. BOP Equipment

CEDAR CANYON "29" FEDERAL No. 2 SURFACE USE AND OPERATING PLAN PAGE 2 OF 6

#### 1. Existing Roads:

- a) The well site and elevation plat for the proposed well is shown in Exhibit C. It was staked by John West Engineering, Hobbs, N.M.
- b) All roads to the location are shown on Exhibit C-1. The existing roads are illustrated in black and are adequate for travel during drilling and production operations. Upgrading of the road prior to drilling will be done where necessary as determined during the onsite inspection.
- c) Directions to Location: Go east of Malaga approximately 1 mile. Turn south and go approximately 3/4 mile to where road veers to the southeast. Follow road approximately 2.2 miles to where road splits. Take right split east southeast approximately 1.5 miles to proposed location. (See Exhibit C-1)
- d) Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.

#### 2. Proposed Access Road:

Exhibit C-1 shows the new access road to be constructed and is illustrated in green. The proposed access road as shown in Exhibit C-1 has been centerline flagged by John West Engineering, Hobbs, N.M. The road will be constructed as follows:

- a) Length and Width: No access road will be necessary.
- b) <u>Surfacing Material</u>: Caliche material will be used to surface the proposed road. It will be watered, compacted, and graded. Caliche will be obtained from either the reserve pit or a borrow pit on the proposed location as described in Item 6 of the Surface Use and Operating Plan.
- c) Maximum Grade: None
- d) Turnouts: No turnouts are planned.
- e) <u>Drainage Design:</u> The new road will be crowned at the center to direct drainage to ditches on both sides of the roadway with turnout ditches to be constructed as required. Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and to be consistent with local drainage patterns. BLM may specify any additions or changes during the onsite inspections.
- f) Culverts: None required.
- g) <u>Cuts and Fills:</u> No levelling will be necessary on access road to this location.

CEDAR CANYON "29" FEDERAL No. 2 SURFACE USE AND OPERATING PLAN PAGE 3 OF 6

h) Gates and Cattle Guards: A cattleguard will not be necessary on this location.

#### 3. Location of Existing Wells:

Exhibit No. B shows all existing wells within a one-mile radius of this well.

#### 4. Location of Existing and/or Proposed Facilities:

- a) Pogo Producing Company does not operate a production facility on the Cedar Canyon "29" Federal lease.
- b) If the well is productive, contemplated facilities will be as follows:
  A battery will be installed on location.
- c) An electric power line will be constructed as shown on Exhibit C-1.

#### 5. Location and Type of Water Supply:

The well will be drilled with a combination of brine and fresh water mud system as outlined in the drilling program.

The water necessary for drilling operations will be purchased and trucked to the wellsite, or will be moved to the wellsite by way of a temporary pipeline laid on the ground alongside existing and proposed roads.

#### 6. Source of Construction Materials:

Caliche needed for the road and well pad will be taken from the proposed reserve pit. An alternate plan will be to obtain caliche from a borrow pit located within the 400' x 400' archaeologically cleared tract at the proposed well site. If sufficient quality or quantity of caliche is not available, it will be transported to the proposed road and well site from an existing BLM approved caliche pit. The BLM will be notified and consulted if caliche must be obtained off location.

#### 7. Method of Handling Waste Disposal:

- a) Drill cuttings will be disposed into the reserve pit.
- b) Drilling fluids will be contained in the reserve pit. The reserve pit will be an earthen pit, approximately 150' x 150' x 6' deep and fenced on three sides prior to drilling. The fourth side will be fenced immediately following rig removal. The reserve pit will be lined with plastic (5-7 mil thickness) to minimize loss of drilling fluids.

CEDAR CANYON "29" FEDERAL No. 2 SURFACE USE AND OPERATING PLAN PAGE 4 OF 6

- c) Water produced from the well during completion may be disposed into the reserve pit or a steel tank (depending upon rates).
- d) Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- e) Oil produced during testing will be stored in steel test tanks until sold.
- f) Trash, waste paper, garbage, and junk will be placed in a trash bin located on the drill site pad. It will be transported to an approved landfill for disposal within 30 days after completion of drilling and/or completion of operations. All waste material will be contained to prevent scattering by the wind.
- g) A portable chemical toilet will be provided on the location for human waste during the drilling and completion operations.

#### 8. Ancillary Facilities:

No other facilities will be built as a result of the operations on this well.

#### 9. Well Site Layout:

- a) Exhibit D shows the relative location and dimensions of the well pad, mud pits, reserve pit, location of the major rig components, and location of parking areas.
- b) Cut and fill requirements will be minor, but clearing and leveling of the well site will be necessary. Top soil, if available, will be stockpiled per BLM specifications as determined at the on-site inspection.
- c) The reserve pit will be lined with a high quality plastic sheeting (5-7 mil thickness).
- d) The pad and pit area are staked and flagged.

#### 10. Plans for Reclamation of the Surface:

a) After completion of drilling and/or completion of operations, all equipment and other material not needed for operations will be removed. The pit area will be allowed to dry before reclamation. If the borrow pit is constructed, the cuttings in the reserve pit will be deep buried in the borrow pit, and the reserve pit and borrow pit will be broken out, filled, and leveled. The location will be cleaned of all trash and junk to leave the well site in an as aesthetically pleasing condition as possible.

CEDAR CANYON "29" FEDERAL No. 2 SURFACE USE AND OPERATING PLAN PAGE 5 OF 6

- b) Three sides of the reserve pit will be fenced prior to and during drilling operations. The borrow pit will be fenced on all four sides after the location is built. At the time the rig is removed, the reserve pit will be fenced on the fourth side to prevent livestock or wildlife from being entrapped in the pits. The fencing will remain in place until the pits are cleaned up and leveled.
- c) After abandonment, all equipment, trash, and junk will be removed and the well site will be cleaned.
- d) Topsoil removed from the drill site will be used to recontour the pit area to the original natural level. The disturbed area will be revegetated by reseeding during the proper growing season with a seed mixture of native grasses as recommended by the BLM.

#### 11. Other Information:

- a) Topography: The land surface in the area is undulating with small sand dunes. In the immediate area of the well site, the land slope is to the southeast.
- b) Soil: Top soil at the well site is loamy sand.
- c) Flora and Fauna: The vegetation cover is moderate. It includes range grasses, weeds, scrub oak bushes, and mesquite bushes. Wildlife in the area is that typical of a semi-arid desert land and includes coyotes, rabbits, rodents, reptiles, hawks, dove, quail, and other small birds.
- d) Ponds and Streams: The Pecos River is approximately 1300' to the northeast of this location.
- e) Residences and Other Structures: There is an abandoned ranch house approximately 5800' to the northeast of the proposed location.
- f) <u>Archaeological, Historical, or other Cultural Sites:</u> None are known of in the area. An Archaeological survey has been conducted.
- g) Land Use: Grazing, oil and gas production, and wildlife habitat.
- h) Surface Ownership: U.S.A.

#### 12. Operator's Representative:

Richard L. Wright Division Operations Supervisor Pogo Producing Company P.O. Box 10340 Midland, Texas 79702 (915) 685-8100 CEDAR CANYON "29" FEDERAL No. 2 SURFACE USE AND OPERATING PLAN PAGE 6 OF 6

#### 13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; 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 and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U. S. C. 1001 for the filing of false statement.

9-18-98

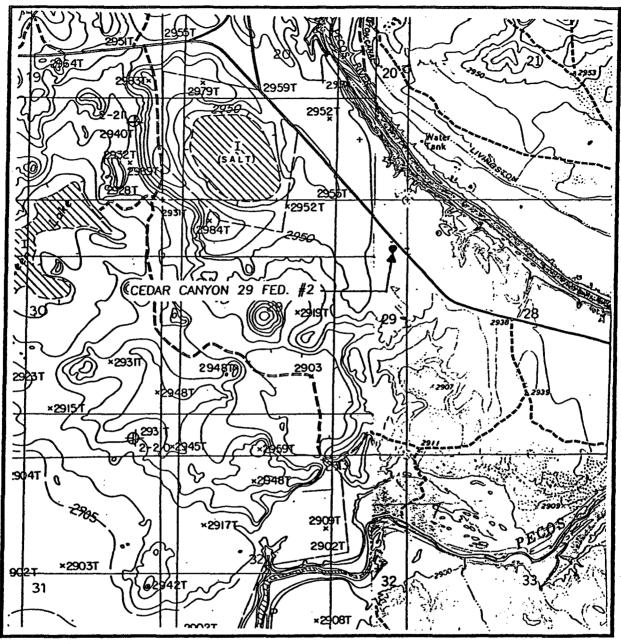
Date

James M.C. Ritchie, Jr.

Agent

Enclosures

### LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

SEC. 29 TWP. 24-S RGE. 29-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 990' FNL & 330' FEL

ELEVATION 2946

OPERATOR POGO PRODUCING COMPANY

LEASE CEDAR CANYOM 29 FED.

U.S.G.S. TOPOGRAPHIC MAP

MALAGA, PIERCE CANYON, N.M.

CONTOUR INTERVAL:

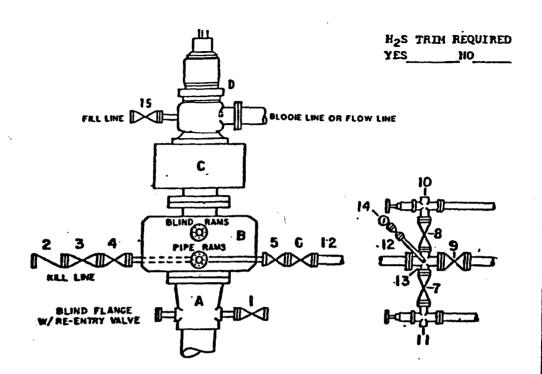
MALAGA — 10' WITH 5' SUPPL. PIERCE CANYON — 10'

EXHIBIT "C-1"

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



# DRILLING CONTROL CONDITION III-B 3000 PSI WP



#### DRILLING CONTROL

#### MATERIAL LIST - CONDITION III - B

A	Wellhead					
8	30009 W.P. Dual ram type preventer, hydraulic operated with 1" steel, 30009 W.P. control lines (where substructure height is adequate, 2 - 30009 W.P. single ram preventers may be utilized with 30000 W.P. drilling spool with 2" minimum flanged outlet for kill line and 3" minimum flanged outlet for choke line. The drilling spool is to be installed below the single ram type preventers).					
<b>c</b>	3000% W.P. Annular Preventer with 1° steel, 3000% W.P. control lines.					
<b>D</b> .	Rotating Head with fill up outlet and extended Bloois line.					
1,3,4,	2" minimum 3000f W.P. flanged full opening steel gate valve, or Halliburton Lo Torc Plug valve.					
2	2" minimum 3000\$ W.P. back pressure valve.					
5,6,9	3" minimum 30008 W.P. flanged full opening steel gate valve, or Halliburton Lo Torc Plug valve.					
12	3" minimum Schedule 80, Grade B, seamless line pipe.					
23	2" minimum x 3" minimum 30000 W.P. flanged cross.					
10,11	2" minimum 2000# W.P. adjustable choke bodies.					
14	Cameron Hud Gauge or equivalent (location optional in Choke line).					
15	2" minimum 3000# W.P. flanged or threaded full opening steel gate valve, or Halliburton to Torc Plug valve.					

EXHIBIT E

BCALE

CHECKED BA

881. WO

#### **CONDITIONS OF APPROVAL - DRILLING**

Operator's Name: Well Name & No.

Pogo Producing Company Cedar Canvon 29 Federal #2

Location:

990' FNL, 330' FEL, Section 29, T. 24 S., R. 29 E., Eddy County, New Mexico

Lease:

NM-100851

### I. DRILLING OPERATIONS REQUIREMENTS:

- 1. The Bureau of Land Management (BLM) is to be notified at the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822 for wells in Eddy County in sufficient time for a representative to witness:
  - A. Well spud
  - B. Cementing casing: <u>10-3/4</u> inch <u>7-5/8</u> inch (if needed) <u>4-1/2 or 5-1/2</u> inch
  - C. BOP tests
- 2. 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.
- 3. 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.
- 4. 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 <u>10-3/4</u> inch surface casing shall be set at <u>approximately 550 feet</u> and 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 <u>7-5/8</u> inch intermediate casing (if needed) is to be circulated to the surface.
- 3. The minimum required fill of cement behind the <u>4-1/2 or 5-1/2</u> inch production casing is <u>to be sufficient</u> to reach at least 500 feet above the top of the uppermost hydrocarbon productive interval.

#### **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 <u>10-3/4</u> 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.
- 2. Minimum working pressure of the blowout preventer and related equipment (BOPE) shall be **2000** psi.
- 3. The appropriate BLM office shall be notified in sufficient time for a representative to witness the tests.
- The tests 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 a safe workman-like manner. Hard line connections shall be required.

10/4/05 acs