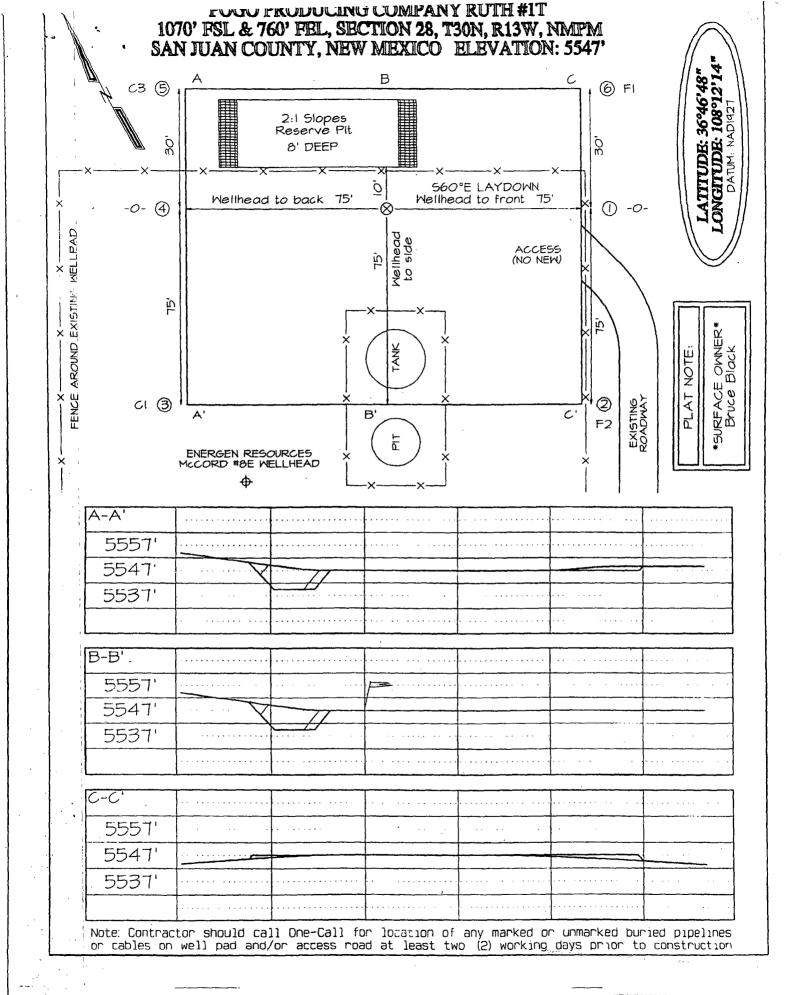
Felm.3160-3		FORM APPROVED					
(September 2001) //	OMB NO. 1004-0136						
S UNITED STATES	Expires: January 31,2004						
DEPARTMENT OF THE I		5. Lease Serial No.					
JAN DE BUREAU OF LAND MANA		SE 079214					
	DILL OD MISTRUGED?	6. If Indian, Allottee or Tribe Name					
APPLICATION FOR PERMIT TO D	RILL OR REEN I ER	o. If midiall, Allottee of Tibe Name					
	REC	<u>FIVED</u>					
IL Stype of Work X DRILL RE	ENTER 070 FARM						
The second	8. Lease Name and Well No.						
10. Type of Well							
2. Name of Operator		9. API Well No.					
Pogo Producing		30-045-33285					
3a. 300 N. Marienfeld, Suite 600 3b.	Phone No. (include area code)	10. Field and Pool, or Exploratory					
Midland, TX 79701 (43	2) 685-8143	Basin Fruitland Coal					
4. Location of well (Report location clearly and In accordance with		11. Sec., T., R., M., or Blk. And Survey or Area					
At surface							
1070'FSL, 760' FEL Latitude 36° 46' 48", Dong	itude 108° 12' 14"	Sec 28, T-30-N, R13W					
At proposed prod. zone							
DISTANCE IN MILES AND DIRECTION FROM NEAREST TO	OWN OR POST OFFICE*	12. County or Parish 13. State					
Water Special Control of Control	Disco VVIIIs Disco	Can Ivan					
North of Farmington, NM on Glade road approximately 1/2 mile from 15. Distance from proposed*	16. No. of Acres in lease	San Juan   New Mexico					
location to nearest	10. No. of Acres in lease	17. Spacing oint actioned to this wor					
property or lease line, ft.	{	7100					
(Also to nearest drlg unit line, if any) 760'	1640	E/2-28 3LOAC					
18. Distance from proposed location*	19. Proposed Depth	20. BLM/ BIA Bond No. on file					
to nearest well, drilling, completed,	1000	NMB 000019 (Statewide)					
applied for, on this lease, ft. 300°  21. Elevations (Show whether DF. RT, GR, etc.)	1800' 22. Aproximate date work will	<u> </u>					
5547'	15-Oct-05	10 Days					
24. Attachments							
The following, completed in accordance with the requirements of Ons	hore Oil and Gas Order No. 1 shall l	be attached to this form:					
1. Well plat certified by a registered surveyor.	4 Bond to cover the	operations unless covered by existing bond on file(see					
2. A Drilling Plan.	item 20 above).	<b></b>					
3. A Surface Use Plan ( if the location is on National Forest System )							
SUPO shall be filed with the appropriate Forest Service Office).	•	cific information and/ or plans as may be required by the a					
	authorized officer.						
25. Signature Na	me (Printed/ Typed)	Date					
DIN JUM	S. M. LIBBY	08-15-05					
Title AGENT		,					
	me (Printed/ Typed)	Date					
A////an // 150		12/30/05					
Title Office							
HEM	FFO	•					
Application approval does not warrant or certify that the applicant hold	Is legal or equitable title to those rig	hts in the subject lease which would entitle the applicant to					
operations thereon.	-	-					
Conditions of approval, if any, are attached.		·					
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it							
States any false, fictitious or fraudulent statements or representations a	s to any matter within its jurisdiction	n.					

\* (Instructions on reverse)

District I PO Box 1980, Hobbs. NM 88241-1980 State of New Mexico Form C-102 Energy, Minerals & Natural Resources Department Revised February 21, 1994 Instructions on back District II Submit to Appropriate District Office PO Drawer DD, Artesia, NM 88211-0719 State Lease - 4 Copies OIL CONSERVATION DIVISION Fee Lease - 3 Copies PO Box 2088 District III 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87504-2088 AMENDED REPORT District IV PO Box 2088, Santa Fe, NM 87504-2088 2005 AUG 17 AM 10 39 WELL LOCATION AND ACREAGE DEDICATION PLAT OTBASTN FRUITLAND COAL API Number Pool Code 30-045-33285 71629 Well Number Property Name Property Code ᢓ᠐᠐ᢓ᠙᠘ RUTH 1T \*Elevation OGRID No. \*Operator Name POGO PRODUCING COMPANY 5547 17891 <sup>10</sup> Surface Location Feet from the North/South line East/West line UL or lot no. Township Lot Idn Feet from the Pange Section Р 1070 SOUTH 760 EAST SAN JUAN 28 30N 13W <sup>11</sup> Bottom Hole Location If From Surface Different UL or lot no. Section Township Lot Ide Feet from the North/South line Feel from the East/West line County <sup>14</sup> Consolidation Code <sup>13</sup>Joint or Infill <sup>15</sup> Order No. <sup>12</sup> Dedicated Acres 320.0 Acres -(E/2)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 5224.56 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief 2626. 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 supervision, and that the same is true and correct to the best of my belief Survey Date: FEBRUARY 22, 2005 Signature and Seal of Professional Surveyor SEON C. EDWARD EN MEXIC 86 2620. A POPESSION 2598. 760 070 DWARDS 5307.72 Certificate Number 15269



# Exhibit C TEN-POINT PROGRAM/ OPERATIONS PLAN POGO PRODUCING COMPANY

Well name:

Ruth #1T

Location:

1070' FSL, 760' FEL, Section 28, T-30-N, R-13-W, NMPM

San Juan County, NM

Formation:

Basin Fruitland Coal

### 1. The geological surface formation is: Quaternary alluvium

### 2. The tops of important geological markers: (based on existing log information)

Ojo Alamo	165'
Kirtland	410'
Fruitland	1150'
Pictured Cliffs	1490'
Lewis Shale	1580'

### 3. Estimated depths of anticipated water, oil, gas, or minerals:

Substance	Formation	Anticipated Depth
Gas	Fruitland Coal	1360'

### 4. The Casing Program:

Depth	Hole Size	Casing O.D.	. Wt.	Grade	Type	New/Used
0-650'	8 3/4"	7"	20#	J-55	ST&C	New
0-1650'	6 1/4"	4-1/2"	10.5#	J-55	ST&C	New

Proposed Cement Program: To effectively isolate and seal off all water, oil, gas and coal bearing strata encountered by the utilization of spacer and centralizers at the base of the Ojo Alamo formation as specified by NTL-FRA 90-1 III.B and API standards; and by using cement volumes as follows: (Exact volumes to be determined from logs):

Surface: 196 Cu Ft(166Sx) Class B w/ 0.25# Flocele/ Sx w/5#/Sk Gilsonite plus 2% CaCl (100% Excess).

Production: 85 Cubic Feet (42 Sacks Lite Standard Cement w/ 2% Metasilicate + 0.25 pps Flocele mixed to 12.4 ppg followed by 162 Cubic Feet (134 Sacks) Standard w/ 0.6% Halad-322 mixed to 15.6 ppg w/ caliper plus 25% excess in both slurries. Grand Totals: 247 Cubic Feet (176 Sacks).

### 5. Operators Minimum Specifications for pressure control:

Expected bottom hole pressure 300 psi or less.

Exhibit E is a schematic of the blowout preventer used by a local contractor for other wells in the area. The BOP to be used is an annular BOP with screwed connections with high-pressure inlet and outlet hoses, all tested to 750 psi minimum.

### Exhibit C

### TEN-POINT PROGRAM POGO PRODUCING COMPANY

Well name:

Ruth #1T

Location:

1070' FSL, 760' FEL, Section 28, T-30-N, R-13-W, NMPM

San Juan County, NM

Formation:

Basin Fruitland Coal

### 6. The type and characteristic of the proposed circulating muds:

Surface Casing: Spud flocculating bentonite with lime.

Production Casing: Low solids non- disbursing system.

Interval	Mud Weight	Viscosity	Fluid Loss	Ph	Additives
0-650'	9.0	45		9	Gel, Lime
650'-TD	8.6 - 9.2	30-50	<15cc	9	Additives as needed to
					maintain viscosity

### 7. Auxiliary Equipment to be used is as follows:

- a. Float valve above bit.
- b. Monitoring of mud system will be visual.
- c. A safety valve and subs to fit all drill strings will be used.

#### 8. Testing, logging and coring will be as follows:

- a. Cores: None
- b. Drill stem tests: none anticipated.
- c. Logs will include: High Resolution Induction w/ Gamma Ray, SP, Caliper, Microlog, Spectral Density and Dual Spaced Neutron Microlog; all from Total depth to the surface casing shoe.

### 9. Anticipated Abnormal Pressures and temperatures:

No abnormal pressures, temperatures, or Hydrogen Sulfide gases are anticipated during the completion of this well.

### 10. Anticipated starting date and duration of operations:

The anticipated starting date is October, 2005. The drilling operations should be completed within 15 days after rig-up date. Completion will be done as equipment availability and weather permit.

Date: 8-12-05 Drilling Engineer: Budling Talman

Page 2

## TO CIRC. TANK OR RESERVE PIT 2" LINE TO MUD TANK OR MUD PIT BLOW OUT PREVENTER (B.O.P. 2" BYPASS LINE ADJUSTABLE CHOKE 2" LINE 2000 pei VAVLE 2000 pai GUAGE ADJUSTABLE CHOKE 2000 pel VAVIE 2000 pei VAVIE 2000 pei VAVLE TO MANIFOLD 2000 pui SCREW ON HEAD B.O.P. 2000 pai PLOW LINE TO PIT CASING HEAD 2000 pel WP CASTONO BEL RIG HYDRAULIC LINE ALLE FILE

EXHIBIT E