

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. LC-061869
2. Name of Operator Pogo Producing Company		6. If Indian, Allottee or Tribe Name
3a. Address P. O. Box 10340, Midland, TX 79702	3b. Phone No. (include area code) 432-685-8100	7. If Unit or CA/Agreement, Name and/or No. NM 70928A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FNL & 1980' FWL, Section 21, T25S R32E		8. Well Name and No. Cotton Draw Unit #31
		9. API Well No. 30-025-08209
		10. Field and Pool, or Exploratory Area Paduca Delaware
		11. County or Parish, State Lea County, NM
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> New Construction	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Other
	<input type="checkbox"/> Plug Back	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The Cotton Draw Unit #31 was producing when Pogo purchased the lease and took over operations in August 2005. The well has only produced water, no oil or gas, thus remains on the NMOCD inactive well list.

Pogo is anticipating conducting a tertiary (CO₂) recovery program in the Paduca field in which the Cotton Draw Unit #31 would be a part of and if successful, would hopefully return to producing oil and gas in commercial quantities. Given the scarcity of CO₂ at this time, our plans have been delayed until such time as an adequate supply of CO₂ is secured. Accordingly, Pogo request that the NMOCD allow this well to be TA'd with the understanding that it will be returned to production once the project is completed and CO₂ is being injected. A MIT will be conducted and witnessed yearly until such time the well is returned to production.

Approved for MIT, subsequent sundry required requesting TA approval,

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Cathy Wright

Title Sr. Eng Tech

Signature

Cathy Wright

Date 04/04/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice 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.

Title

Office

Date

APR 12 2007

WESLEY W. INGRAM
PETROLEUM ENGINEER

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)

GWW

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
505-234-5972

Temporary Abandonment of Wells on Federal Lands
Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 505-361-2822; Lea County 505-393-3612.
3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.

Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment (TA) status for a 12 month period provided that the operator:

1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval.
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.

The TA status could be extended for an additional 12 month period without another casing integrity test provided there was no leak-off during the test and the test was witnessed by a BLM representative. The operator must submit a sundry notice requesting an extension of TA status 30 days prior to expiration of the previous approval and appropriate justification for extending the TA status is included.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.