| 70/19/0 | | ISE D. CATTANACH 10/20/06 IPI- APP NO. QTD. SOG 29350073 |
|--------------|--------------------|--|
| | | ABOVE THIS LINE FOR DIVISION USE ONLY NEW MEXICO OIL CONSERVATION DIVISION |
| | | - Engineering Bureau - 1220 South St. Francis Drive, Santa Fe, NM 87505 |
| | | ADMINISTRATIVE APPLICATION CHECKLIST |
| | CHECKLIST IS M | IANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE |
| [| [DHC-Dow [PC-Po | ndard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] nhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] ool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] Ilified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] |
| [1] 1 | YPE OF AI [A] | PPLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD |
| | Check [B] | Cone Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM |
| | [C] | Injection - Disposal - Pressure Increase - Enhanced Oil Recovery |
| | [D] | Other: Specify |
| [2] | NOTIFICAT [A] | TON REQUIRED TO: - Check Those Which Apply, or Does Not Apply Working, Royalty or Overriding Royalty Interest Owners |
| | [B] | Offset Operators, Leaseholders or Surface Owner |
| | [C] | Application is One Which Requires Published Legal Notice |
| | [D] | Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office |
| | [E] | For all of the above, Proof of Notification or Publication is Attached, and/or, |
| | [F] | Waivers are Attached |
| [3] S | SUBMIT AC | CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE |

OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

Date

e-mail Address



POGO PRODUCING COMPANY

October 16, 2006

New Mexico Oil Conservation Division Attn: Mr. David Catanach 1220 South St. Francis Drive Santa Fe, NM 87505

2006 OCT 19 PM 12 42

Re: SDS "11" Federal #1 SWD Step-Rate Test

Gentlemen:

Pogo Producing Company respectfully requests an increase in the maximum allowable surface injection pressure from the current 902 PSI to 2200 PSI.

This is based on a step-rate test performed on October 6, 2006 by Precision Pressure Data. A copy of the test results is attached.

If you have any question, please contact me at (432)685-8100.

Thank you,

Barrett L. Smith Division Operations Engineer Pogo Producing Company

POGO PRODUCING CO

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SDS "11" FEDERAL #1

Test Date 10/06/2006

Step Rate Test

Ran step rate test with electric surface readout unit, 1 electronic pressure instrument @ run depth of 4666' and surface pressure transducer.

Step Rate Test

POGO PRODUCING CO. SDS "11" FEDERAL #1 TEST DATE 10/06/2006

| Injection Rate | Psurface | B.H.P. | Psurface W/O |
|----------------|----------|---------|--------------|
| (BWPD) | (psig) | (psia) | FRICTION |
| 300 | 538.30 | 2920.30 | 534.30 |
| 600 | 543.60 | 2925.40 | 539.60 |
| 1000 | 698.70 | 2939.80 | 662.70 |
| 1770 | 738.70 | 2957.10 | 702.70 |
| 2540 | 996.90 | 3000.90 | 863.90 |
| 3300 | 1288.40 | 3024.50 | 1145.40 |
| 4020 | 1731.70 | 3060.00 | 1426.70 |
| 4739 | 2252.40 | 3097.20 | |
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Run Depth: 4666 (mid perfs)

Formation:

Tubing Depth: 4420

Tested By: J. Chesshir

Perforations: 4510-4822

Total Depth: 4920

Pkr. Depth: 4420

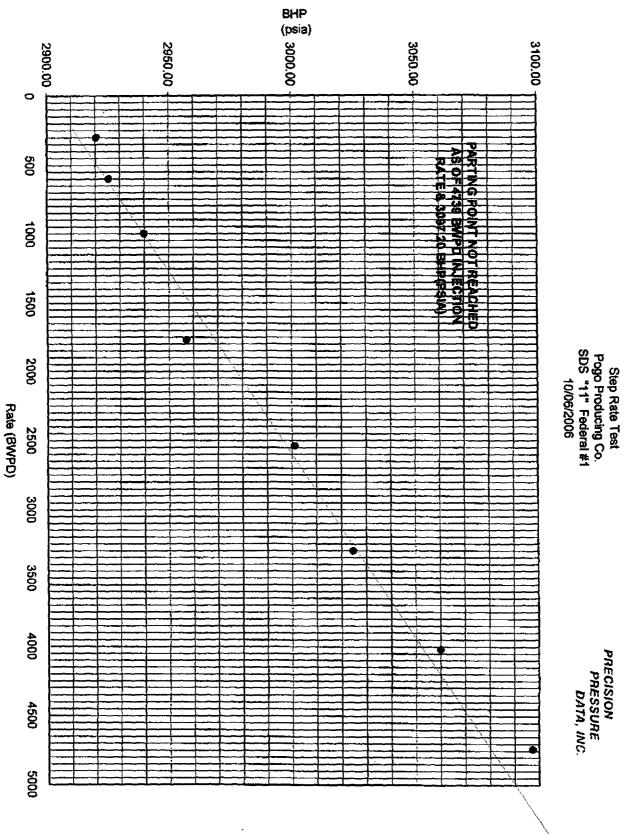
Instrument #: 75045

TEST RESULTS

Test Inconclusive-Parting point not reached as of 4739 BWPD injection rate & 3097.20 BHP(PSIA)

Had trouble getting in hole with gauge. Had to pump 300 BPD rate to get on down tubing with guage. Surface pressure rising drastically more than it should due to restriction problems in tubing. Shut down at 2250 PSI surface pressure to avoid unsafe conditions at a higher rate.

PRECISION PRESSURE DATA, INC. • P. O. BOX 8571 • MIDLAND, TEXAS 79708-8571 • (432) 570-7600

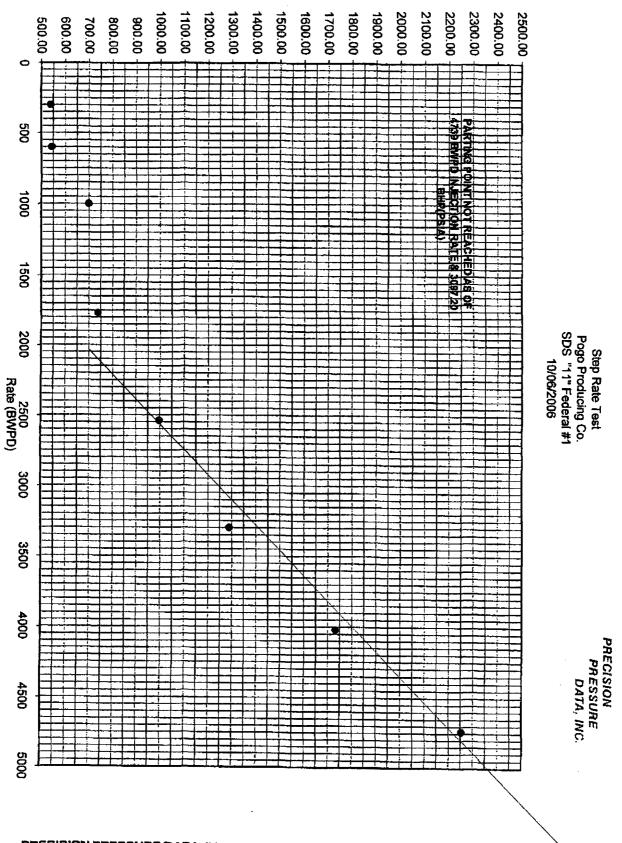


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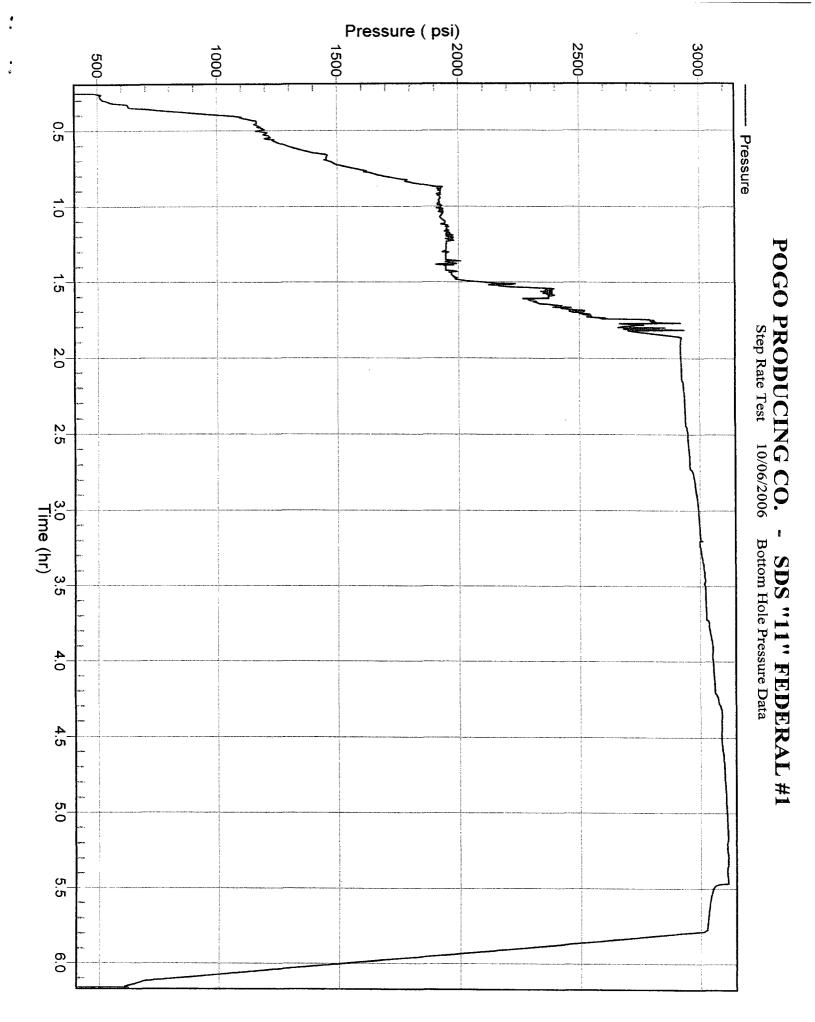
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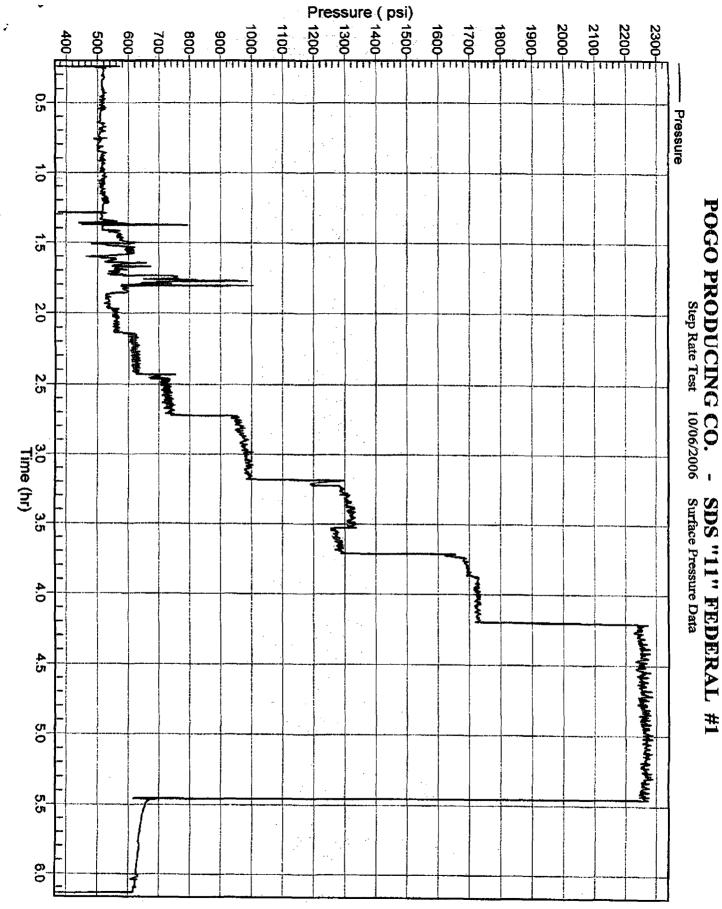
Psurface (psig)

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POGO PRODUCING CO. -Step Rate Test 10/06/2006