

8/27/97

9/16/97

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MN

NSL

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☒ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☒ Does Not Apply[A] ☐ 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] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

James Bruce
 P.O. Box 1056
 Santa Fe, NM 87504

Print or Type Name

Note: Statement must be completed by an individual with supervisory capacity.

Signature

Title

Date

8/27/97

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

SUITE B
612 OLD SANTA FE TRAIL
SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

August 27, 1997

Hand Delivered

Michael E. Stogner
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F(2), Pogo Producing Company ("Pogo") hereby applies for administrative approval of an unorthodox oil well location for the following well:

Lost Tank "3" Fed. Well No. 3
1450 feet FNL & 1650 feet FWL
SE $\frac{1}{4}$ NW $\frac{1}{4}$ §3, Township 22 South, Range 31 East, NMPM
Eddy County, New Mexico

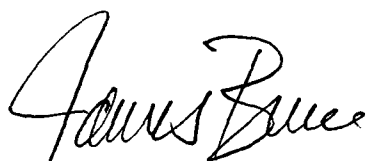
The well will be drilled to test the Delaware formation (Triple P-Delaware Pool). Well spacing is 40 acres.

The subject acreage is in the oil-potash area of southeast New Mexico, and the proposed location is non-standard due to potash reasons. The original well location was 1650 feet FNL and 1650 feet FWL. However, the Bureau of Land Management ("BLM") requested Pogo to move the well to an alternate location 1450 feet FNL (200 feet north of the original location), based on potash concerns. A copy of the APD (Form 3160-3), Sundry Notice (Form 3160-5), and Form C-102 submitted to the BLM are attached as Exhibit A.

Submitted as Exhibit B is a land plat of the area around the proposed well, highlighting Pogo-operated acreage. All of Section 3 (and all of Section 4 except the NW $\frac{1}{4}$ NW $\frac{1}{4}$) is comprised of a single federal lease, which is owned 50-50 by Pogo and Phillips Petroleum Company. Pogo operates the lease. The well is only moving toward Pogo-operated acreage, and thus no other operator has been notified of this application. In addition, royalty and overriding royalty ownership is common throughout Section 3, and thus no royalty owner is adversely affected by the application.

This application is submitted in duplicate. Please call me if you need anything further on this matter.

Very truly yours,



James Bruce

Attorney for Pogo Producing Company

pogo-aap.uol

Form 3160-3
(July 1992)SUBMIT IN DUPLICATE
(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. TYPE OF WORK

DRILL ☒DEEPEN ☐

B. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐OTHER ☐SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

POGO PRODUCING COMPANY

(RICHARD WRIGHT)

3. ADDRESS AND TELEPHONE NO.

P.O. Box 10340, MIDLAND, TX 79702 PH (915) 682-6822

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

SEC 3 T22S R31E 1650' FNL & 1650' FWL

At proposed prod. zone

SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 30 miles East of Carlsbad, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest dril. unit lino. if any)

1650'

16. NO. OF ACRES IN LEASE

640

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1320'

19. PROPOSED DEPTH

8150'

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DP, RT, GR, etc.)

3479' GR.

22. APPROX. DATE WORK WILL START*

AS SOON AS APPROVED

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
26"	20" Conductor	NA	40'	Cement to surface W/Redi-Mix
14-3/4"	H-40 10-3/4"	32.7	550'	400 sx Circulate to surface
9-7/8"	J-55 7-5/8"	26.4	4000'	1000 sx " " "
6-3/4"	J-55 4-1/2"	11.6	8150'	1500 sx " " "

1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe. Cement to surface with Redi-Mix.
2. Drill 14-3/4" hole to 550'. Run & set 550' of 10-3/4" H-40 32.7# ST&C casing. Cement with 250 sx of 35/65 Class "C" POZ Light + 2% CaCl, tail in with 150 sx Class "C" + 2% CaCl. Circulate cement to surface.
3. Drill 9-7/8" hole to 4000'. Run & set 4000' of 7-5/8" J-55 26.4# ST&C casing. Cement with 800 sx 35/65 Class "c" POZ + 5# Salt/sx. Tail in with 200 sx Class "C" + 2% CaCl. Circulate cement to surface.
4. Drill 6-3/4" hole to 8150'. Run & set 8150' of 4 1/2" J-55 11.6# ST&C Casing. Cement in 3 stages. 1st stage: 500 sx Class "H" + 5% Micro Bond. 2nd stage: 400 sx Class "C" 12# Gilsonite/Sx 3rd stage: 500 sx Class "C" Halco Light, tail in with 100 sx Class "C" neat. Circulate cement to surface.

IN ABOVE SPACE DESCRIBE PROPOSED 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 blow-out prevention program, if any.

24.

SIGNED

John J. Jones

TITLE

Agent

DATE

02/26/97

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or verify 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

TITLE

DATE

*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 a United States any false, fictitious or fraudulent statements or representations as to any matter with



Form 3160-5
(June 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

POGO PRODUCING COMPANY (RICHARD WRIGHT)

3. Address and Telephone No.

P.O. BOX 10340 MIDLAND, TEXAS 79702 Ph 915-682-6822

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1650' FWL & 1450' FNL SEC. 3 T22S-R31E EDDY CO NM

FORM APPROVED

Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

NM-0417696

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

LOST TANK "3" FEDERAL # 3

9. API Well No.

10. Field and Pool, or Exploratory Area

TRIPLE "P" DELAWARE

11. County or Parish, State

EDDY CO.

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒
- Notice of Intent
-
- ☐
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☐
- Abandonment
-
- ☐
- Recompletion
-
- ☐
- Plugging Back
-
- ☐
- Casing Repair
-
- ☐
- Altering Casing
-
- ☐
- Other
- Move location

- ☐
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

1. Pogo Producing Company requests the permission to move this location from 1650' FWL & 1650' FNL Sec. 3 T22S-R31E to 1650' FWL & 1450' FNL Sec. 3 T22S-R31E Eddy Co. NM.
The reason for this move is to comply with Potash Rules and Restrictions.

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

Signed

Joel Quince Title AgentDate 07/14/97

(This space for Federal or State Office use)

Approved by

Conditions of approval, if any:

Title

Date

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.

*See instruction on Reverse Side

DISTRICT I

P.O. Box 1080, Hobbs, NM 88241-1080

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 60, Lordsburg, NM 88520-0060

DISTRICT III

1800 Rio Brazos Rd., Artes, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number	Pool Code	Pool Name
	96582	Triple "P" Delaware
Property Code	Property Name	Well Number
20943	LOST TANK "3" FEDERAL	3
OGED No.	Operator Name	Elevation
17891	POGO PRODUCING COMPANY	3482

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	3	22 S	31 E		1450	NORTH	1650	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

LOT 4 39.65 AC.	LOT 3 39.78 AC.	LOT 2 39.92 AC.	LOT 1 40.05 AC.
-----------------	-----------------	-----------------	-----------------

OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Joe T. Janica
Signature

Joe T. Janica
Printed Name

Agent
Title

July 14, 1997
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.

JUNE 11, 1997

Date Surveyed

Signature of Surveyor

Professional Surveyor

NEW MEXICO

7-14-97

W.O. Num 97-11165

Certification No. 678

JOSEPH E. EIDSON, 3239

JOSEPH E. EIDSON, 12641

EXHIBIT A



CMD :
OG6C101

ONGARD
C101-APPLICATION FOR PERMIT TO DRILL

10/09/97 12:40:18
OGOMES -EME7

OGRID Idn : 17891 API Well No: 30 15 29859 APD Status(A/C/P): A
Opr Name, Addr: **POGO PRODUCING CO** Aprvl/Cncl Date : 09-19-1997
PO BOX 10340
MIDLAND, TX 79702

Prop Idn: 20943 **LOST TANK 3 FEDERAL**

Well No: 3

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
	---	---	-----	-----	---	---	-----	-----
Surface Locn :	F	3	22S	31E			FTG 1450 F N	FTG 1650 F W
OCD U/L :	F		API County :	15				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): O Cable/Rotary (C/R) : R
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 3479

State Lease No: Multiple Comp (Y/N) : N
Prpsd Depth : 8150 Prpsd Frmtn : DELAWARE

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

10/09/97 12:39:17
OGOMES -EME7
PAGE NO: 1

Sec : 03 Twp : 22S Rng : 31E Section Type : NORMAL

4 39.65 Federal owned R A	3 39.78 Federal owned R A	2 39.92 Federal owned R	1 40.05 Federal owned R
E 40.00 Federal owned R	F 40.00 Federal owned R A	G 40.00 Federal owned R	H 40.00 Federal owned R

PF01 **HELP**
PF07 **BKWD**

PF02
PF08 **FWD**

PF03 **EXIT**
PF09 **PRINT**

PF04 **GoTo**
PF10 **SDIV**

PF05
PF11

PF06
PF12

CMD :
OG6IWCN

ONGARD
INQUIRE WELL COMPLETIONS

10/09/97 12:39:35
OGOMES -EME7

API Well No : 30 15 29682 Eff Date : 06-12-1997 WC Status : A
Pool Idn : 96582 LOST TANK; DELAWARE, WEST
OGRID Idn : 17891 POGO PRODUCING CO
Prop Idn : 20943 LOST TANK 3 FEDERAL

Well No : 002
GL Elevation: 3479

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn : 3	3	22S	31E	FTG	330 F N	FTG 1650 F W	P

Lot Identifier:

Dedicated Acre: 39.78

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

10/09/97 12:56:09
OGOMES -EME7
PAGE NO: 1

Sec : 04 Twp : 22S Rng : 31E Section Type : NORMAL

4 39.97 Federal owned R	3 39.85 Federal owned R A	2 39.75 Federal owned R A	1 39.63 Federal owned R A
E 40.00 Federal owned R A	F 40.00 Federal owned R A	G 40.00 Federal owned R A	H 40.00 Federal owned R

PF01 **HELP**
PF07 **BKWD**

PF02
PF08 **FWD**

PF03 **EXIT**
PF09 **PRINT**

PF04 **GoTo**
PF10 **SDIV**

PF05
PF11

PF06
PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

10/09/97 12:56:20
OGOMES -EME7
PAGE NO: 2

Sec : 04 Twp : 22S Rng : 31E Section Type : NORMAL

L 40.00 Federal owned R	K 40.00 Federal owned R	J 40.00 Federal owned R	I 40.00 Federal owned R
M 40.00 Federal owned R	N 40.00 Federal owned R	O 40.00 Federal owned R	P 40.00 Federal owned R

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

Pool West Lost Tank - Delaware

NMPM

A 6x6 grid with numbers 1 through 36. The numbers are arranged in a 6x6 grid, with the top row containing numbers 6, 5, 4, 3, 2, 1 from left to right. The second row contains 7, 8, 9, 10, 11, 12. The third row contains 18, 17, 16, 15, 14, 13. The fourth row contains 19, 20, 21, 22, 23, 24. The fifth row contains 30, 29, 28, 27, 26, 25. The bottom row contains 31, 32, 33, 34, 35, 36. A 2x2 square is located at the top of the grid, covering the top two rows and the first two columns. The square is outlined with a thick black border. The numbers 1, 2, 3, and 4 are located in the top row, and the numbers 5, 6, 7, and 8 are located in the second row. The numbers 9, 10, 11, and 12 are located in the third row, and the numbers 13, 14, 15, and 16 are located in the fourth row. The numbers 17, 18, 19, and 20 are located in the fifth row, and the numbers 21, 22, 23, and 24 are located in the sixth row. The numbers 25, 26, 27, and 28 are located in the seventh row, and the numbers 29, 30, 31, and 32 are located in the eighth row. The numbers 33, 34, 35, and 36 are located in the ninth row.

Description: NW/4 Sec. 4 (R-10782, 4-9-97)

Pool Lost Tank-Delaware

NMPM

A 36x6 grid with numbered squares 1-36 and a 2x2 square of empty squares. The grid is 36 squares wide and 6 squares high. The squares are numbered 1 through 36, starting from the top right and moving left across each row, then down to the next row. The numbering is as follows:
Row 1: 1, 2, 3, 4, 5, 6
Row 2: 7, 8, 9, 10, 11, 12
Row 3: 13, 14, 15, 16, 17, 18
Row 4: 19, 20, 21, 22, 23, 24
Row 5: 25, 26, 27, 28, 29, 30
Row 6: 31, 32, 33, 34, 35, 36
A 2x2 square of empty squares is located in the top right corner, covering squares 1, 2, 3, and 4.

Description: $NE\frac{1}{4}$ Sec. 1 (R-9545, 7-1-91) Ext: $W\frac{1}{2}$ and $SE\frac{1}{4}$ Sec. 1, $SE\frac{1}{4}$ Sec. 2 (R-9668, 5-6-92) Ext: $NE\frac{1}{4}$ Sec. 2 (R-9709, 8-25-92) Ext: $SW\frac{1}{4}$ Sec. 2 (R-10343, 4-24-95)