

McMillan 4 Fed Com #1
N/2 Section 4, T20S, R27E - 324.4 acres

N/2 Section 4, T20S, R27E, Eddy County, NM

WI OWNERS	WI%	Partners Executed		Comments
		AFE	JOA	
Pogo Producing Company	65.79689	x	x	
Harvey E. Yates Company	10.63482	x		AFE Via fax - original to follow
Jalapeno Corporation (includes Cibola)	4.47005	x	x	
Nortex Corporation	3.72596	x	x	
Sacramento Partners, LP	3.72596	x	x	
Yates Energy Corporation	3.52490			
Estate of Lillie M. Yates	2.79447	x	x	
Sharbro Oil Ltd.	2.79447	x	x	
Robert Kent	0.93149	x	x	
Read & Stevens, Inc.	0.43664	x	x	
EAKO, LLC	0.23919	x	x	
CALCO, LLC	0.19406	x	x	
Aston Partnership	0.19406	x	x	
Bank of America, Tr'ee Tom P. Stephens Trust	0.13972	x		
Grant M. Smith	0.11644			
VALKO, LLC	0.09459	x	x	
Glen David Miller	0.06986	x	x	
Lucas Properties, LLC	0.06986	x	x	
Mary Ann Morrison	0.04657	x		
Total	100.00000			

OIL CONSERVATION DIVISION

CASE NUMBER 13216

POGO EXHIBIT NUMBER 2



POGO PRODUCING COMPANY

July 21, 2003

To: Working Interest Owners
(See Attached List)

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Re: MCMILLAN PROSPECT
Eddy County, New Mexico
MCMILLAN 4 FEDERAL COM No 1 WELL
660' FNL and 2,550' FWL Section 4
T-20-S, R-27-E, N.M.P.M.
Pogo Lease L2382.000

Ladies and Gentlemen:

Please be advised that Pogo Producing Company has recently acquired all of Devon Energy Production Company, LP's right, title and interest in and to that certain Federal Oil and Gas Lease NM-92756, which covers Lots 2, 3, 4, and S½NW¼ of said Section 4, containing 203.53 acres, more or less.

According to our information, the parties listed on Exhibit "A" attached hereto are the owners of Federal Oil and Gas Lease NM-02295, insofar and only insofar as to Lot 1 and the S½NE¼ of said Section 4, limited to rights below 4,000', containing 120.87 acres, more or less. Note that it is also our understanding that there may exist an Operating Agreement dated February 7, 1964, Harvey E. Yates, Operator, Franklin, Aston & Fair, Inc., et al., Non-Operators, covering such lands, among other lands. Since the Operating Agreement is not of record, and we do not have a copy of same, please advise if the leasehold ownership is different than the contractual ownership per such Operating Agreement as to such lands.

In connection with the above, Pogo hereby proposes the drilling of the captioned well at the above location to a depth of 11,000' to test the Morrow formation. In connection therewith, please find attached hereto Pogo's AFE No 530207 which provides pertinent details and estimated costs of such operation.

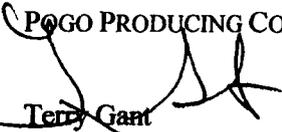
In the event you desire to participate in such Test Well, please advise this office. In the event a party does not wish to participate, please note that Pogo is willing to acquire a term assignment or farmout of such party's interest. Further, upon our receipt of notifications from all parties to participate or not participate in this well/working interest unit proposal, Pogo will then send out its proposed Operating Agreement to cover the N½ of said Section 4, as to rights below 4,000', naming Pogo as the Operator, to the participating parties for their review and execution.

Note further that the subject well location is unorthodox, with Pogo sending an application in the near future to the NMOCD for their approval. Also, Pogo will be submitting a Communitization Agreement on the Federal form shortly covering said N½ of said Section 4.

Should you have any questions or wish to discuss this matter further, please do not hesitate to contact our office.

Very truly yours,

POGO PRODUCING COMPANY


Terry Gant
Land Manager

TG/dkr

Attachments

OIL CONSERVATION DIVISION

CASE NUMBER 13216

POGO EXHIBIT NUMBER 3

EXHIBIT "A"

WORKING INTEREST OWNERS

N½ of Section 4
 T-20-S, R-27-E, N.M.P.M.
 Eddy County, New Mexico
 324.4 acres, more or less,
 as to depths below 4,000' subsurface

OWNER	WORKING INTEREST
Pogo Producing Company Attn: Land Department P.O. Box 10370 Midland, Texas 79702-7340	62.74044
Harvey E. Yates Company Attn: Mr. Vernon Dyer P.O. Box 1933 Roswell, New Mexico 88202-1933	10.63482
Jalapeño Corporation Attn: Mr. Ann Riggs P.O. Box 1608 Albuquerque, New Mexico 87103-1608	4.47005
Nortex Corporation Attn: Mr. Robert Kent 1415 Louisiana Street, Suite 3100 Houston, Texas 77002	3.72596
Sacramento Partners Limited Partnership Attn: Mr. Chuck Moran P.O. Box 1344 (88210-1344) 105 South Fourth Street (88210) Artesia, New Mexico	3.72596
Yates Energy Corporation Attn: Mr. Fred G. Yates P.O. Box 2323 Roswell, New Mexico 88202-2323	3.52490
EOG Resources, Inc. Attn: Mr. Pat Tower P.O. Box 2267 Midland, Texas 79702	3.05645
The Estate of Lillie M. Yates P.O. Box 1344 (88210-1344) 105 South Fourth Street (88210) Artesia, New Mexico	2.79447
Sharbro Oil Ltd. Co. P.O. Box 1344 (88210-1344) 105 South Fourth Street (88210) Artesia, New Mexico	2.79447
Robert Kent % Nortex Corporation 1415 Louisiana Street, Suit 3100 Houston, Texas 77002	0.93149

OWNER	WORKING INTEREST
Read & Stevens, Inc. Attn: Mr. Bob Watson P.O. Box 1518 Roswell, New Mexico 88202	0.43664
EAKO, LLC, a New Mexico limited liability company % Deborah L. Goluska P.O. Box 1090 Roswell, New Mexico 88202-1090	0.23919
CALCO, LLC, a New Mexico Limited Liability Company % Deborah L. Goluska P.O. Box 1090 Roswell, New Mexico 88202-1090	0.19406
FNB Chicago, Aston Partnership % Deborah L. Goluska P.O. Box 1090 Roswell, New Mexico 88202-1090	0.19406
NationsBank, Trustee of the Tom P. Stephens Trust under Trust Agreement dated 10/30/95 % Bank of America P.O. Box 2546 Fort Worth, Texas 76113	0.13972
Grant M. Smith 1112 Rancho Road Roswell, New Mexico 88203-4344	0.11644
VALKO, LLC, a New Mexico limited liability company % Deborah L. Goluska P.O. Box 1090 Roswell, New Mexico 88202-1090	0.09459
Glen David Miller P.O. Box 2412 Roswell, New Mexico 88202	0.06986
John R. Lucas % REDW Trust Company, Agent P.O. Box 93656 Albuquerque, New Mexico 87119	0.06986
Mary Ann Morrison P.O. Box 5581 Hobbs, New Mexico 88241	0.04657
TOTAL	100.00000

Certified Article Number

7160 3901 9844 0594 6969

SENDERS RECORD

Certified Article Number

7160 3901 9844 0594 6983

SENDERS RECORD

Certified Article Number

7160 3901 9844 0594 6976

SENDERS RECORD

U.S. Postal Service
CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

U.S. Postal Service
CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

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(Domestic Mail Only; No Insurance Coverage Provided)

U.S. Postal Service
CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Recipient's Name (Please Print Clearly) (To be completed by addressee)
Read & Stevens

Street, Apt. No.; or PO Box No.

City, State, ZIP+ 4

PS Form 3800, February 2000

See Reverse for Instructions

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Recipient's Name (Please Print Clearly) (To be completed by mailer)
Mary Ann Morrison

Street, Apt. No.; or PO Box No.

City, State, ZIP+ 4

PS Form 3800, February 2000

See Reverse for Instructions

7000 0520 0024 4232 3325
 7000 0520 0024 4232 3332
 7000 0520 0024 4232 3349
 7000 0520 0024 4232 3356
 7000 0520 0024 4232 3363
 7000 0520 0024 4232 3370
 7000 0520 0024 4232 3387
 7000 0520 0024 4232 3394
 7000 0520 0024 4232 3400

7000 0520 0024 4232 3417
 7000 0520 0024 4232 3424
 7000 0520 0024 4232 3431
 7000 0520 0024 4232 3448
 7000 0520 0024 4232 3455
 7000 0520 0024 4232 3462
 7000 0520 0024 4232 3479
 7000 0520 0024 4232 3486
 7000 0520 0024 4232 3493

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. <p>1. Article Addressed to: Harvey E. Yates Company Attn: Mr. Vernon Dyer P.O. Box 1933 Roswell, NM 88202-1933</p>	<p>A. Received by (Please Print Clearly) <i>Amy Owens</i> B. Date of Delivery <i>7-22-03</i></p> <p>C. Signature <i>Amy Owens</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>2. Article Number (Copy from service label) 7000 0520 0024 4232 3325</p>	<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>McMillan 4 Com #1</p>	

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. <p>1. Article Addressed to: Yates Energy Corporation Attn: Mr. Fred G. Yates P.O. Box 2323 Roswell, NM 88202-2323</p>	<p>A. Received by (Please Print Clearly) <i>Fred Yates</i> B. Date of Delivery <i>7-21-03</i></p> <p>C. Signature <i>Fred Yates</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>2. Article Number (Copy from service label) 7000 0520 0024 4232 3325</p>	<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>MIDLAND ADDRESS</p>	

102595-99-M-1789

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. <p>1. Article Addressed to: Nortex Corporation Attn: Mr. Robert Kent 1415 Louisiana St, Ste. 3100 Houston, TX 77002</p>	<p>A. Received by (Please Print Clearly) <i>Robert Kent</i> B. Date of Delivery <i>7/21/03</i></p> <p>C. Signature <i>Robert Kent</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>2. Article Number (Copy from service label) 7000 0520 0024 4232 3349</p>	<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>

102595-99-M-1789

Domestic Return Receipt

PS Form 3811, July 1999

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Sacramento Part. Ltd. Parts.
 Attn: Mr. Chuck Moran
 105 S. Fourth St.
 Artesia, NM 88210

2. Article Number (Copy from service label)
 7000 0520 0024 4232 3363

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery
 KATHY DONAGHE 7.21.03

C. Signature
 *Kathy Donaghe Agent
 Addressee

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below. No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

PS Form 3811, July 1999 Domestic Return Receipt 102595-99-M-1789

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery
 K.D. AIGER 7.22.2003

C. Signature
 *K.D. Aiger Agent
 Addressee

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 EOG Resources., Inc.
 Attn: Mr. Pat Tower
 P.O. 2267
 Midland, TX 79702

2. Article Number (Copy from service label)
 7000 0520 0024 4232 3363

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery
 KATHY DONAGHE 7.22.03

C. Signature
 *Kathy Donaghe Agent
 Addressee

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Martin Yates, III
 S. Fourth St.
 Artesai, NM 88210

2. Article Number (Copy from service label)
 7000 0520 0024 4232 3363

MIDLAND/DDESSA TX 79702
 PS Form 3811, July 1999 Domestic Return Receipt 102595-99-M-1789



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to: Lillie M. Yates 105 S. Fourth St. Artesia, NM 88210</p> <p>2. Article Number (Copy from service label) 7000 0520 0024 4232 3387</p>	<p>A. Received by (Please Print Clearly) Kathy Donaghe B. Date of Delivery 7-21-03</p> <p>Signature <i>Kathy Donaghe</i></p> <p><input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p> <p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input checked="" type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to: Cibola Energy Corp Attn: Mr. Chuck Moran 105 S. Fourth St Artesia, NM 88210</p> <p>2. Article Number (Copy from service label) 7000 0520 0024 4232 3387</p>	<p>A. Received by (Please Print Clearly) Kathy Donaghe B. Date of Delivery 7-21-03</p> <p>Signature <i>Kathy Donaghe</i></p> <p><input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p> <p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>

102595-99-M-1789

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to: Read & Stevens Inc. Attn: Mr. Bob Watson P.O. Box 1518 Roswell, NM 88202</p> <p>2. Article Number (Copy from service label) 7000 0520 0024 4232 3400</p>	<p>A. Received by (Please Print Clearly) Susan M. Hinkle B. Date of Delivery 7-22-03</p> <p>Signature <i>Susan M. Hinkle</i></p> <p><input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p> <p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>

102595-99-M-1789

Domestic Return Receipt

MIDLAND/ODESSA TX 79001

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Charles A Aston, Jr
 % Deborah L. Goluska
 P.O. Box 1090
 Roswell, NM 88202-1090

COMPLETE THIS SECTION ON DELIVERY

- A. Received by (Please Print Clearly) *D. Goluska* B. Date of Delivery *7-22-03*
- C. Signature *[Signature]* Agent
 Addressee
- D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

- Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Copy from service label)

7000-0520-0024-4232-84452 XL MIDLAND/DESSA TX 75400-0259-0007

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

COMPLETE THIS SECTION ON DELIVERY

- A. Received by (Please Print Clearly) *D. Goluska* B. Date of Delivery *7-22-03*
- C. Signature *[Signature]* Agent
 Addressee
- D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

- Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Copy from service label)

7000-0520-0024-4232-84452 XL MIDLAND/DESSA TX 75400-0259-0007

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

ALCO, LLC, a NM Ltd, Lia Com
 P.O. Box 1090
 Roswell, NM 88202-1090

COMPLETE THIS SECTION ON DELIVERY

- A. Received by (Please Print Clearly) *D. Goluska* B. Date of Delivery *7-22-03*
- C. Signature *[Signature]* Agent
 Addressee
- D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

- Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Copy from service label)

7000-0520-0024-4232-84452 XL MIDLAND/DESSA TX 75400-0259-0007

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Domestic Return Receipt

102595-99-M-1789

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<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Received by (Please Print Clearly) D. Goluska B. Date of Delivery 7-22-03	
1. Article Addressed to: EAKO, LLC, a NM Ltd Liab Company P.O. Box 1090 Roswell, NM 88202-1090		C. Signature <input checked="" type="checkbox"/> D. Goluska <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
2. Article Number (Copy from service label) 7000 0520 4232 3448		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

PS Form 3811, July 1999 Domestic Return Receipt 102595-99-M-1789

JUL 22 AM
 7:13
 08/106

RETURN POSTAGE GUARANTEED

POGO PRODUCING COMPANY
 300 NORTH MARLENFELD, SUITE 600 POST OFFICE BOX 10340
 MIDLAND, TEXAS 79702-7340

Tom P. Stephens, Trustee of the Tom P. Stephens Trust under Trust Agreement dated 10/30/95
 P.O. Box 698
 Roswell, New Mexico 88202-0698

ADDRESS UNKNOWN
 INITIALS

Tom P. Stephens, Trustee
 of the Tom P. Stephens Trust UTA dated 10/30/95

COMPLETE THIS SECTION ON DELIVERY	
A. Received by (Please Print Clearly)	B. Date of Delivery 7-24-03
C. Signature <input checked="" type="checkbox"/> T. Smith <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input checked="" type="checkbox"/> No
3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

SENDER: COMPLETE THIS SECTION	
1. Article Addressed to: Brant Smith 1112 Rancho Road Roswell, NM 88203-4344	
2. Article Number (Copy from service label) 7000 0520 0024 4232 3462	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<p>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece or on the front if space permits.</p>	<p>A. Received by (Please Print Clearly)</p>	<p>B. Date of Delivery 7-25-03</p>
<p>1. Article Addressed to: John R. Lucas % Fran Lackey 2424 Caque NE Albuquerque, NM 87110</p>	<p>C. Signature <i>[Handwritten Signature]</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>D. Is delivery address different from item 1? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If YES enter delivery address below: 2424 CAGUA NE</p>	
<p>2. Article Number (Copy from service label) 7000 0520 0024 4232 3479</p>	<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

WRONG ADDRESS

WRONG ADDRESS

7000 0520 0024 4232 3486
 Glen David Miller

7000 0520 0024 4232 3493
 Mary Ann Morrison

Working Interest Owners
 McMillan 4 Federal Com No 1 Well
 July 21, 2003
 P

7160 3901 9844 0574 6763

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

Sharbro Oil Ltd. Co.
 105 South Fourth Street
 Artesia, NM 88210

Reference Information:
 McMillan 4 Federal Com No 1
 McMillan Prospect
 Terry Gant (07/23/03)

PS Form 3811, July 2001 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) **Kathy Donaghe** B. Date of Delivery **07/23/03**

C. Signature **Kathy Donaghe** Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below: **KATHY DONAGHE**

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) **Kathy Donaghe** B. Date of Delivery **07/23/03**

C. Signature **Kathy Donaghe** Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

Reference Information:
 McMillan 4 Federal Com No 1
 McMillan Prospect
 Terry Gant (07/23/03)

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) **A. Riggs** B. Date of Delivery **8/1/03**

C. Signature **A. Riggs** Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

Reference Information:
 McMillan 4 Federal Com No 1
 McMillan Prospect
 Terry Gant (07/23/03)

7160 3901 9844 0574 6763

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

The Estate of Lillie M. Yates
 105 South Fourth Street
 Artesia, NM 88210

PS Form 3811, July 2001 Domestic Return Receipt

7160 3901 9844 0574 6763

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

Cibola Energy Corporation
 Attn: Mr. Harvey Yates, Jr.
 P.O. Box 1668
 Albuquerque, NM 87103

PS Form 3811, July 2001 Domestic Return Receipt

Certified Article Number

7160 3901 9844 0594 6167

SENDERS RECORD

Certified Article Number

7160 3901 9844 0594 6174

SENDERS RECORD

Certified Article Number

7160 3901 9844 0594 6161

SENDERS RECORD

7160 3901 9844 0594 6167

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

Glen David Miller
 P.O. Box 2412
 Roswell, NM 88202

Reference Information:
 McMillan 4 Federal Com No 1
 McMillan Prospect
 Terry Gant (8/4/03)

PS Form 3811, July 2001 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____ B. Date of Delivery _____

C. Signature *Dulida Dueso* Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below: _____

ROSWELL, NM 88201
 AUG 13 2003

COMPLETE THIS SECTION ON DELIVERY

Received by (Please Print Clearly) *E. Rascon* B. Date of Delivery *AUG 12 2003*

Signature *E. Rascon* Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below: _____

Reference Information:
 McMillan 4 Federal Com No 1
 McMillan Prospect
 Terry Gant (8/4/03)

PS Form 3811, July 2001 Domestic Return Receipt

7160 3901 9844 0594 6174

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

Tom P. Stephens, Trustee
 % Bank of America
 P.O. Box 2546
 Fort Worth, TX 76113

PS Form 3811, July 2001 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

Received by (Please Print Clearly) *Elina Delgado* B. Date of Delivery *8-7-03*

Signature *Elina Delgado* Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below: _____

Reference Information:
 McMillan 4 Federal Com No 1
 McMillan Prospect
 Terry Gant (8/4/03)

PS Form 3811, July 2001 Domestic Return Receipt

7160 3901 9844 0574 6160

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

John R. Lucas
 % REDW Trust Company, Agent
 P.O. Box 93656
 Albuquerque, NM 87119

PS Form 3811, July 2001 Domestic Return Receipt

Certified Article Number
 7160 3901 9844 0594 6198
SENDERS RECORD

Certified Article Number
 7160 3901 9844 0594 6204
SENDERS RECORD

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____ B. Date of Delivery _____

C. Signature *Terry Gant* Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

USPS
 AUG 13 2003
 ROSWELL, NM 88201

Reference Information:
 McMillan 4 Federal Com No 1
 McMillan Prospect
 Terry Gant (8/4/03)

PS Form 3811, July 2001 Domestic Return Receipt

3. Service Type **CERTIFIED MAIL** Yes

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:
 Grant M. Smith
 1112 Rancho Road
 Roswell, NM 88203-4344

01 9844 0594 6198
 A. Smith
 (mailed 8/4/03)

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) *M Morrison* B. Date of Delivery *8-6-03*

C. Signature *M Morrison* Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

Reference Information:
 McMillan 4 Federal Com No 1
 McMillan Prospect
 Terry Gant (8/4/03)

PS Form 3811, July 2001 Domestic Return Receipt

3. Service Type **CERTIFIED MAIL** Yes

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:
 Mary Ann Morrison
 P.O. Box 5581
 Hobbs, 88241

7160 3901 9844 0594 6204
 Mary Ann Morrison
 (mailed 8/4/03)

POGO PRODUCING COMPANY
AUTHORITY FOR EXPENDITURE FOR \$1,256,075
GROSS AFE - DETAILED

PAGE: 2

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
WELL: 6122 MCMILLAN 4 FEDERAL COM #1
PROSPECT: MCMILLAN PROSPECT
FIELD: MCMILLAN MORROW - C/O
COUNTY/PARISH: EDDY
STATE: NM

OPERATOR: POGO PRODUCING COMPANY
AFE TYPE: EXPLORATORY DRILLING
DATE: 06/25/03
WELL TYPE:
FORMATION: MORROW
TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550' FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445 LWE CASINGHEAD	3,000	2,500	5,500
727.446 LWE XMAS TREE		10,000	10,000
727.447 LWE COMPLETION EQUIPMENT		2,500	2,500
727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: Richard L. Wright
RICHARD L. WRIGHT

DATE: JUNE 25, 2003

JL LAND
Lil EXPL
MVK ENG

AUTHORIZATION: Jerry A. Cooper
JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: HARVEY G. YATES COMPANY

INTEREST: 10.64%

BY: George M. Yates MR
NAME: George M. Yates
TITLE: President
DATE: February 17, 2004

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445 LWE CASINGHEAD	3,000	2,500	5,500
727.446 LWE XMAS TREE		10,000	10,000
727.447 LWE COMPLETION EQUIPMENT		2,500	2,500
727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: *Richard L. Wright*
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: *Jerry A. Cooper*
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: Yates Energy Corporation

INTEREST: 5.21%
3.52490

BY: _____
 NAME: _____
 TITLE: _____
 DATE: _____

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 1

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS' & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
745.599 ICC MISC. COSTS & CONTINGEN.		2,500	2,500
TOTAL ICC PRODUCTION FACILITIES		21,500	21,500
*** TOTAL INTANGIBLES	787,700	154,500	942,200
EXPLORATORY LEASE & WELL			
727.441 LWE SURFACE CASING 250' 13-3/8"	4,250		4,250
727.442 LWE CONDUCTOR PIPE	4,200		4,200
727.443 LWE INTERMEDIATE CASING 3000' 9-5/8"	55,125		55,125

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 2

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550' FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445 LWE CASINGHEAD	3,000	2,500	5,500
727.446 LWE XMAS TREE		10,000	10,000
727.447 LWE COMPLETION EQUIPMENT		2,500	2,500
727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: Richard L. Wright
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: Jerry A. Cooper
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: NORTOX CORPORATION

INTEREST: _____

BY: Robert Wright
 NAME: _____
 TITLE: Exec. V.P.
 DATE: 2/2/04

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 1

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
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DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
745.599 ICC MISC. COSTS & CONTINGEN.		2,500	2,500
TOTAL ICC PRODUCTION FACILITIES		21,500	21,500
*** TOTAL INTANGIBLES	787,700	154,500	942,200
EXPLORATORY LEASE & WELL			
727.441 LWE SURFACE CASING 250' 13-3/8"	4,250		4,250
727.442 LWE CONDUCTOR PIPE	4,200		4,200
727.443 LWE INTERMEDIATE CASING 3000' 9-5/8"	55,125		55,125

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445 LWE CASINGHEAD	3,000	2,500	5,500
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727.447 LWE COMPLETION EQUIPMENT		2,500	2,500
727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: Richard L. Wright
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: Jerry A. Cooper
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: ROBERT W. KENT

INTEREST: _____

BY: Robert W. Kent
 NAME: _____
 TITLE: _____
 DATE: 2/2/04

POGO PRODUCING COMPANY
AUTHORITY FOR EXPENDITURE FOR \$1,256,075
GROSS AFE - DETAILED

PAGE: 1

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
WELL: 6122 MCMILLAN 4 FEDERAL COM #1
PROSPECT: MCMILLAN PROSPECT
FIELD: MCMILLAN MORROW - C/O
COUNTY/PARISH: EDDY
STATE: NM

OPERATOR: POGO PRODUCING COMPANY
AFE TYPE: EXPLORATORY DRILLING
DATE: 06/25/03
WELL TYPE:
FORMATION: MORROW
TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
745.599 ICC MISC. COSTS & CONTINGEN.		2,500	2,500
TOTAL ICC PRODUCTION FACILITIES		21,500	21,500
*** TOTAL INTANGIBLES	787,700	154,500	942,200
EXPLORATORY LEASE & WELL			
727.441 LWE SURFACE CASING 250' 13-3/8"	4,250		4,250
727.442 LWE CONDUCTOR PIPE	4,200		4,200
727.443 LWE INTERMEDIATE CASING 3000' 9-5/8"	55,125		55,125

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 2

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550' FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445 LWE CASINGHEAD	3,000	2,500	5,500
727.446 LWE XMAS TREE		10,000	10,000
727.447 LWE COMPLETION EQUIPMENT		2,500	2,500
727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: Richard L. Wright
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: Jerry A. Cooper
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: Nortex Corporation

INTEREST: 4.66% 3.72596%

BY: Robert Kent
 NAME: ROBERT W. KENT
 TITLE: Exec - J.P.
 DATE: 6/13/03

Robert Kent 0.93149%

Nortex Corporation: 3.72596% WI
 Robert Kent: 0.93149% WI

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

RECEIVED
 PAGE: 1
 AUG 18 2003

MIDLAND

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
745.599 ICC MISC. COSTS & CONTINGEN.		2,500	2,500
TOTAL ICC PRODUCTION FACILITIES		21,500	21,500
*** TOTAL INTANGIBLES	787,700	154,500	942,200
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727.442 LWE CONDUCTOR PIPE	4,200		4,200
727.443 LWE INTERMEDIATE CASING 3000' 9-5/8"	55,125		55,125

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445 LWE CASINGHEAD	3,000	2,500	5,500
727.446 LWE XMAS TREE		10,000	10,000
727.447 LWE COMPLETION EQUIPMENT		2,500	2,500
727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: *Richard L. Wright*
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: *Jerry A. Cooper*
 JERRY A. COOPER

DATE: JUNE 25, 2003

SACRAMENTO PARTNERS LIMITED PARTNERSHIP

3.72596% ✓

Peyton Yates
 Peyton Yates, Manager of Weed Oil & Gas Company, L.C.,
 General Partner of Sacramento Partners Limited Partnership

8-05-03

Date

ESTATE OF LILLIE M. YATES, DECEASED
 SHARBRO OIL LTD. CO.

2.79447% ✓
 2.79447% ✓

Frank Yates, Jr.
 Frank Yates, Jr., Attorney-in-Fact for S.P. Yates, B.W. Harper
 and Frank Yates, Jr., Personal Representatives of the Estate of
 Lillie M. Yates, Dec. and as Manager for Sharbro Oil Ltd. Co.

8-05-03

Date

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 1

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
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725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
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726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
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726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
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726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
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POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 2

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
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*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: Richard L. Wright
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: Jerry A. Cooper
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: EOG Resources, Inc.

INTEREST: 3.05645
3.06%

BY: _____
 NAME: _____
 TITLE: _____
 DATE: _____

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 1

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1 WELL: 6122 MCMILLAN 4 FEDERAL COM #1 PROSPECT: MCMILLAN PROSPECT FIELD: MCMILLAN MORROW - C/O COUNTY/PARISH: EDDY STATE: NM	OPERATOR: POGO PRODUCING COMPANY AFE TYPE: EXPLORATORY DRILLING DATE: 06/25/03 WELL TYPE: FORMATION: MORROW TOTAL DEPTH: 11,000'
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ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550' FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS' & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
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725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
745.599 ICC MISC. COSTS & CONTINGEN.		2,500	2,500
TOTAL ICC PRODUCTION FACILITIES		21,500	21,500
*** TOTAL INTANGIBLES	787,700	154,500	942,200
EXPLORATORY LEASE & WELL			
727.441 LWE SURFACE CASING 250' 13-3/8"	4,250		4,250
727.442 LWE CONDUCTOR PIPE	4,200		4,200
727.443 LWE INTERMEDIATE CASING 3000' 9-5/8"	55,125		55,125

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 2

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550' FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445 LWE CASINGHEAD	3,000	2,500	5,500
727.446 LWE XMAS TREE		10,000	10,000
727.447 LWE COMPLETION EQUIPMENT		2,500	2,500
727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: Richard L. Wright
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: Jerry A. Cooper
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: Jalapeno Corporation

INTEREST: 4.4701%

BY: Harvey E. Yates, Jr.
 NAME: Harvey E. Yates, Jr.
 TITLE: President
 DATE: 2/11/04

POGO PRODUCING COMPANY
AUTHORITY FOR EXPENDITURE FOR \$1,256,075
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PAGE: 1

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
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PROSPECT: MCMILLAN PROSPECT
FIELD: MCMILLAN MORROW - C/O
COUNTY/PARISH: EDDY
STATE: NM

OPERATOR: POGO PRODUCING COMPANY
AFE TYPE: EXPLORATORY DRILLING
DATE: 06/25/03
WELL TYPE:
FORMATION: MORROW
TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS' & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
745.599 ICC MISC. COSTS & CONTINGEN.		2,500	2,500
TOTAL ICC PRODUCTION FACILITIES		21,500	21,500
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EXPLORATORY LEASE & WELL			
727.441 LWE SURFACE CASING 250' 13-3/8"	4,250		4,250
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727.443 LWE INTERMEDIATE CASING 3000' 9-5/8"	55,125		55,125

POGO PRODUCING COMPANY
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 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445 LWE CASINGHEAD	3,000	2,500	5,500
727.446 LWE XMAS TREE		10,000	10,000
727.447 LWE COMPLETION EQUIPMENT		2,500	2,500
727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: Richard L. Wright
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: Jerry A. Cooper
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: Jalapeno Corporation

INTEREST: 4.4701%

BY: Harvey E. Yates, Jr.
 NAME: Harvey E. Yates, Jr.
 TITLE: President
 DATE: 2/11/04

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
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 DATE: 06/25/03
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 FORMATION: MORROW
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DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
745.599 ICC MISC. COSTS & CONTINGEN.		2,500	2,500
TOTAL ICC PRODUCTION FACILITIES		21,500	21,500
*** TOTAL INTANGIBLES	787,700	154,500	942,200
EXPLORATORY LEASE & WELL			
727.441 LWE SURFACE CASING 250' 13-3/8"	4,250		4,250
727.442 LWE CONDUCTOR PIPE	4,200		4,200
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POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 2

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445 LWE CASINGHEAD	3,000	2,500	5,500
727.446 LWE XMAS TREE		10,000	10,000
727.447 LWE COMPLETION EQUIPMENT		2,500	2,500
727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: *Richard L. Wright*
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: *Jerry A. Cooper*
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: Read & Stevens, Inc.

INTEREST: 0.44%

BY: *Charles B. Read*
 NAME: _____
 TITLE: CHARLES B. READ, PRESIDENT
 DATE: 7/30/03

RECEIVED
 AUG 4 2003
 MIDLAND

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 1

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725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
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725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
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TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
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 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

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SEP - 4 2003

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550' FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

MIDLAND

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
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LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
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APPROVAL: Richard L. Wright
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003

JLS LAND
 ZLH EXPL
 MVK ENG

AUTHORIZATION: Jerry A. Cooper
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: Aston Partnership
 Charles A. Aston, Jr.

INTEREST: 0.20%

BY: Deborah K. Gofuska
 NAME: Deborah K. Gofuska
 TITLE: Agent
 DATE: 8/28/03

POGO PRODUCING COMPANY
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 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC., PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
745.599 ICC MISC. COSTS & CONTINGEN.		2,500	2,500
TOTAL ICC PRODUCTION FACILITIES		21,500	21,500
*** TOTAL INTANGIBLES	787,700	154,500	942,200
EXPLORATORY LEASE & WELL			
727.441 LWE SURFACE CASING 250' 13-3/8"	4,250		4,250
727.442 LWE CONDUCTOR PIPE	4,200		4,200
727.443 LWE INTERMEDIATE CASING 3000' 9-5/8"	55,125		55,125

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 2

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550' FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

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 SEP - 4 2003
 MIDLAND

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445 LWE CASINGHEAD	3,000	2,500	5,500
727.446 LWE XMAS TREE		10,000	10,000
727.447 LWE COMPLETION EQUIPMENT		2,500	2,500
727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: Richard L. Wright
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: Jerry A. Cooper
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: CALCO, LLC, a NMLtd Liability Co.

INTEREST: 0.20%

BY: Deborah K. Gustafson
 NAME: Deborah K. Gustafson
 TITLE: Agent
 DATE: 8-28-03

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

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 PROSPECT: MCMILLAN PROSPECT
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 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

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725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
745.599 ICC MISC. COSTS & CONTINGEN.		2,500	2,500
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*** TOTAL INTANGIBLES	787,700	154,500	942,200
EXPLORATORY LEASE & WELL			
727.441 LWE SURFACE CASING 250' 13-3/8"	4,250		4,250
727.442 LWE CONDUCTOR PIPE	4,200		4,200
727.443 LWE INTERMEDIATE CASING 3000' 9-5/8"	55,125		55,125

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 2

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

RECEIVED
 SEP - 4 2003
MIDLAND

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550' FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
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727.446 LWE XMAS TREE		10,000	10,000
727.447 LWE COMPLETION EQUIPMENT		2,500	2,500
727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: *Richard L. Wright*
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: *Jerry A. Cooper*
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: VALCO, LLC, a NM Ltd Liability Co.

INTEREST: .09459%
~~0.17%~~

BY: *Deborah E. Galuska*
 NAME: Deborah E. Galuska
 TITLE: Agent
 DATE: 8/28/03

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 1

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1	OPERATOR: POGO PRODUCING COMPANY
WELL: 6122 MCMILLAN 4 FEDERAL COM #1	AFE TYPE: EXPLORATORY DRILLING
PROSPECT: MCMILLAN PROSPECT	DATE: 06/25/03
FIELD: MCMILLAN MORROW - C/O	WELL TYPE:
COUNTY/PARISH: EDDY	FORMATION: MORROW
STATE: NM	TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550' FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
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726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
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745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
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*** TOTAL INTANGIBLES	787,700	154,500	942,200
EXPLORATORY LEASE & WELL			
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POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 2

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

RECEIVED

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550' FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

SEP - 4 2003

MIDLAND

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
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*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL:

Richard L. Wright
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION:

Jerry A. Cooper
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: EAKO, LLC, a NM Ltd Liability Co.

INTEREST: .23919%
~~0.17%~~

BY:

Deborah K. Galska
 NAME: Deborah K. Galska
 TITLE: Agent
 DATE: 8/28/03

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 1

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1	OPERATOR: POGO PRODUCING COMPANY
WELL: 6122 MCMILLAN 4 FEDERAL COM #1	AFE TYPE: EXPLORATORY DRILLING
PROSPECT: MCMILLAN PROSPECT	DATE: 06/25/03
FIELD: MCMILLAN MORROW - C/O	WELL TYPE:
COUNTY/PARISH: EDDY	FORMATION: MORROW
STATE: NM	TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550' FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

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 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550' FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445 LWE CASINGHEAD	3,000	2,500	5,500
727.446 LWE XMAS TREE		10,000	10,000
727.447 LWE COMPLETION EQUIPMENT		2,500	2,500
727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: Richard L. Wright
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: Gerry A. Cooper
 GERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: Tom P. Stephens, Trustee of the Tom P. Stephens Trust under Trust Agreement dated 10/30/95

INTEREST: 0.14%

BY: BANK OF AMERICA, N.A. IN ITS FIDUCIARY CAPACITY
 NAME: _____
 TITLE: _____
 DATE: BY Bill Blodson
 Vice President

Date 8/14/03

ACCOUNT(S) _____

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 1

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
745.599 ICC MISC. COSTS & CONTINGEN.		2,500	2,500
TOTAL ICC PRODUCTION FACILITIES		21,500	21,500
*** TOTAL INTANGIBLES	787,700	154,500	942,200
EXPLORATORY LEASE & WELL			
727.441 LWE SURFACE CASING 250' 13-3/8"	4,250		4,250
727.442 LWE CONDUCTOR PIPE	4,200		4,200
727.443 LWE INTERMEDIATE CASING 3000' 9-5/8"	55,125		55,125

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 2

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445 LWE CASINGHEAD	3,000	2,500	5,500
727.446 LWE XMAS TREE		10,000	10,000
727.447 LWE COMPLETION EQUIPMENT		2,500	2,500
727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: *Richard L. Wright*
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: *Jerry A. Cooper*
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: Grant M. Smith

INTEREST: 0.12%

BY: _____
 NAME: _____
 TITLE: _____
 DATE: _____

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 1

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1	OPERATOR: POGO PRODUCING COMPANY
WELL: 6122 MCMILLAN 4 FEDERAL COM #1	AFE TYPE: EXPLORATORY DRILLING
PROSPECT: MCMILLAN PROSPECT	DATE: 06/25/03
FIELD: MCMILLAN MORROW - C/O	WELL TYPE:
COUNTY/PARISH: EDDY	FORMATION: MORROW
STATE: NM	TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550' FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
745.599 ICC MISC. COSTS & CONTINGEN.		2,500	2,500
TOTAL ICC PRODUCTION FACILITIES		21,500	21,500
*** TOTAL INTANGIBLES	787,700	154,500	942,200
EXPLORATORY LEASE & WELL			
727.441 LWE SURFACE CASING 250' 13-3/8"	4,250		4,250
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727.443 LWE INTERMEDIATE CASING 3000' 9-5/8"	55,125		55,125

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 2

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445 LWE CASINGHEAD	3,000	2,500	5,500
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727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: Richard L. Wright
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: Jerry A. Cooper
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: Lucas Properties, LLC

INTEREST: 0.06986

BY: Mary Frances Lackey
 NAME: MARY Frances Lackey
 TITLE: Manager
 DATE: 2-09-04

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 1

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
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DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
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726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
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726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
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745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
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727.443 LWE INTERMEDIATE CASING 3000' 9-5/8"	55,125		55,125

RECEIVED

POGO PRODUCING COMPANY
AUTHORITY FOR EXPENDITURE FOR \$1,256,075
GROSS AFE - DETAILED

PAGE: 2

FEB 05 2004

MIDLAND

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
WELL: 6122 MCMILLAN 4 FEDERAL COM #1
PROSPECT: MCMILLAN PROSPECT
FIELD: MCMILLAN MORROW - C/O
COUNTY/PARISH: EDDY
STATE: NM

OPERATOR: POGO PRODUCING COMPANY
AFE TYPE: EXPLORATORY DRILLING
DATE: 06/25/03
WELL TYPE:
FORMATION: MORROW
TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
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TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
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*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: Richard L. Wright
RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: Gerry A. Cooper
GERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: Glen David Miller
Glen David Miller

INTEREST: 0.026986

BY: _____
NAME: _____
TITLE: _____
DATE: _____

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 1

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
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OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
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DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
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725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
745.599 ICC MISC. COSTS & CONTINGEN.		2,500	2,500
TOTAL ICC PRODUCTION FACILITIES		21,500	21,500
*** TOTAL INTANGIBLES	787,700	154,500	942,200
EXPLORATORY LEASE & WELL			
727.441 LWE SURFACE CASING 250' 13-3/8"	4,250		4,250
727.442 LWE CONDUCTOR PIPE	4,200		4,200
727.443 LWE INTERMEDIATE CASING 3000' 9-5/8"	55,125		55,125

POGO PRODUCING COMPANY
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075
 GROSS AFE - DETAILED

PAGE: 2

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1
 PROSPECT: MCMILLAN PROSPECT
 FIELD: MCMILLAN MORROW - C/O
 COUNTY/PARISH: EDDY
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY
 AFE TYPE: EXPLORATORY DRILLING
 DATE: 06/25/03
 WELL TYPE:
 FORMATION: MORROW
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444 LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445 LWE CASINGHEAD	3,000	2,500	5,500
727.446 LWE XMAS TREE		10,000	10,000
727.447 LWE COMPLETION EQUIPMENT		2,500	2,500
727.448 LWE RETRIEVABLE PACKER		4,500	4,500
727.449 LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469 LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153 LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438 LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456 LWE FIELD LINES		5,000	5,000
746.457 LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458 LWE SEPARATORS & FITTINGS		2,800	2,800
746.459 LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469 LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: *Richard L. Wright*
 RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: *Jerry A. Cooper*
 JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: Mary Ann Morrison

INTEREST: 0.01%

BY: *Mary Ann Morrison*
 NAME: Mary Ann Morrison
 TITLE: _____
 DATE: 9-27-03

POGO PRODUCING COMPANY
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DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
745.599 ICC MISC. COSTS & CONTINGEN.		2,500	2,500
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