

UNITED STATES  
DEPARTMENT OF THE  
BUREAU OF LAND MANAGEMENTOIL CONSERVATION DIVISION  
1301 W GRAND AVENUE  
ARTESIA NM 88210FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

LEASE DESIGNATION AND SERIAL NO.

NM-13409

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

## 1A. TYPE OF WORK

DRILL ☒DEEPEN ☐

## B. TYPE OF WELL

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

## 2. NAME OF OPERATOR

POGO PRODUCING COMPANY

(RICHARD WRIGHT 915-585-8140)

## 3. ADDRESS AND TELEPHONE NO.

P.O. BOX 10340 MIDLAND, TEXAS 79702-7340 (915-585-8100)

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

1780' FNL & 1650' FWL SEC. 33 T19S-R27E EDDY CO.  
At proposed prod. zone SAME

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

Approximately 12 miles North Northeast of Carlsbad

## 15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

(Also to nearest drilg. unit line, if any) 1650'

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

NA

## 16. NO. OF ACRES IN LEASE

640±

## 19. PROPOSED DEPTH

11,000'

## 17. NO. OF ACRES ASSIGNED TO THIS WELL

320

## 20. ROTARY OR CABLE TOOLS

ROTARY

## 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3455' GR.

## 22. APPROX. DATE WORK WILL START\* WHEN APPROVED

## PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE  | GRADE SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT                   |
|---------------|----------------------|-----------------|---------------|--------------------------------------|
| 25"           | Conductor            | NA              | 40'           | Cement to surface with Redi-mix.     |
| 17½"          | H-40 13 3/8"         | 48              | 500'          | 550 Sx. circulate cement to surface  |
| 12¼"          | J-55 9 5/8"          | 40.5            | 3000'         | 1200 Sx. Circulate cement to surface |
| * 8½"- 7 7/8" | N-80, J-55 5½"       | 17              | 11,000'       | 1000 Sx. 3 stages top of cement 2000 |

## Koswell Controlled Water Basin

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17½" hole to 500'. Run and set 500' of 13 3/8" H-40 48# ST&C casing. Cement with 550 Sx. of Class "C" cement + ¼# Flocele/Sx. + 2% CaCl, circulate cement to surface.
3. Drill 12¼" hole to 3000'. Run and set 3000' of 9 5/8" J-55 40.5# ST&C casing. Cement with 1200 Sx. of Class "C" cement + additives, circulate cement to surface.
- \* 4. Drill 8 ½" hole to the Cisco estimated to be 9000'±, if no problems are encountered reduce hole size to 7 7/8" and drill to TD. 11,000'. Run and set 5½" casing as follows: 3000' of 17# N-80 LT&C, 6000' of 17# J-55 LT&C, 2000' of 17# N-80 LT&C. Cement in three stages, DV Tools at 9100'± & 6000'±. Cement with 1200 Sx. of Cement, estimate top of cement 2000' from surface.

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

N ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths, and proposed program, if any.

SIGNED Joe T. Janice TITLE Agent

DATE 12/29/01

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
CONDITIONS OF APPROVAL, IF ANY:

/s/ LESLIE A. THEISS

FIELD MANAGER

DATE APR 10 2002

\*See Instructions On Reverse Side

APPROVAL FOR 1 YEAR

le 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations.

## OCD-ARTESIA

Form 3160-5  
(June 1990)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

## SUNDRY NOTICES AND REPORTS ON WELLS

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

## SUBMIT IN TRIPLICATE

## 1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

## 2. Name of Operator

POGO PRODUCING COMPANY (RICHARD WRIGHT) 915-685-8140

## 3. Address and Telephone No.

P.O. BOX 10340, MIDLAND, TX 702-7340 915-685-8100

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

1780' FNL &amp; 1650' FWL SEC. 33 T19S-R27E EDDY CO. NM

## 5. Lease Designation and Serial No.

NM-13409

## 6. If Indian, Allottee or Tribe Name

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## 7. If Unit or CA, Agreement Designation

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## 8. Well Name and No.

PECOS "33" FEDERAL # 2

## 9. API Well No.

## 10. Field and Pool, or Exploratory Area

WILDCAT MORROW

## 11. County or Parish, State

EDDY CO. NEW MEXICO

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

## TYPE OF SUBMISSION

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

## TYPE OF ACTION

- ☐
- Abandonment
- 
- ☐
- Recompletion
- 
- ☐
- Plugging Back
- 
- ☐
- Casing Repair
- 
- ☐
- Altering Casing
- 
- ☒
- Other
- MOVE LOCATION

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

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

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

- Pogo Producing Company requests the approval to move the location of their PECOS "33" FEDERAL # 2 From: 1980' FNL & 1650' FWL SEC. 33 T19S-R27E Eddy Co. New Mexico To: 1780' FNL & 1650' FWL SEC. 33 T19S-R27E Eddy Co. New Mexico
- The reason for this move and request is that The Bureau of Land Management would not approve the original location because of a suspected cave on the Southwest part of the location.

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

Signed

Title Agent

Date 02/14/02

(This space for Federal or State office use)

Approved by /s/ LESLIE A. THEISS

Title FIELD MANAGER

Date APR 10 2002

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See Instruction on Reverse Side

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BUREAU OF LAND MGMT.  
BUREAU OF RECLAMATION  
BUREAU OF RECLAMATION

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

|               |                        |                  |
|---------------|------------------------|------------------|
| API Number    | Pool Code              | Pool Name        |
|               |                        | WILDCAT - MORROW |
| Property Code | Property Name          | Well Number      |
|               | PECOS 33 FEDERAL       | 2                |
| OGRID No.     | Operator Name          | 3503'            |
| 17891         | POGO PRODUCING COMPANY | 3458'            |

Surface Location

|               |         |          |       |         |               |                  |               |                |        |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| F             | 33      | 19-S     | 27-E  |         | 1780          | NORTH            | 1650          | WEST           | EDDY   |

Bottom Hole Location If Different From Surface

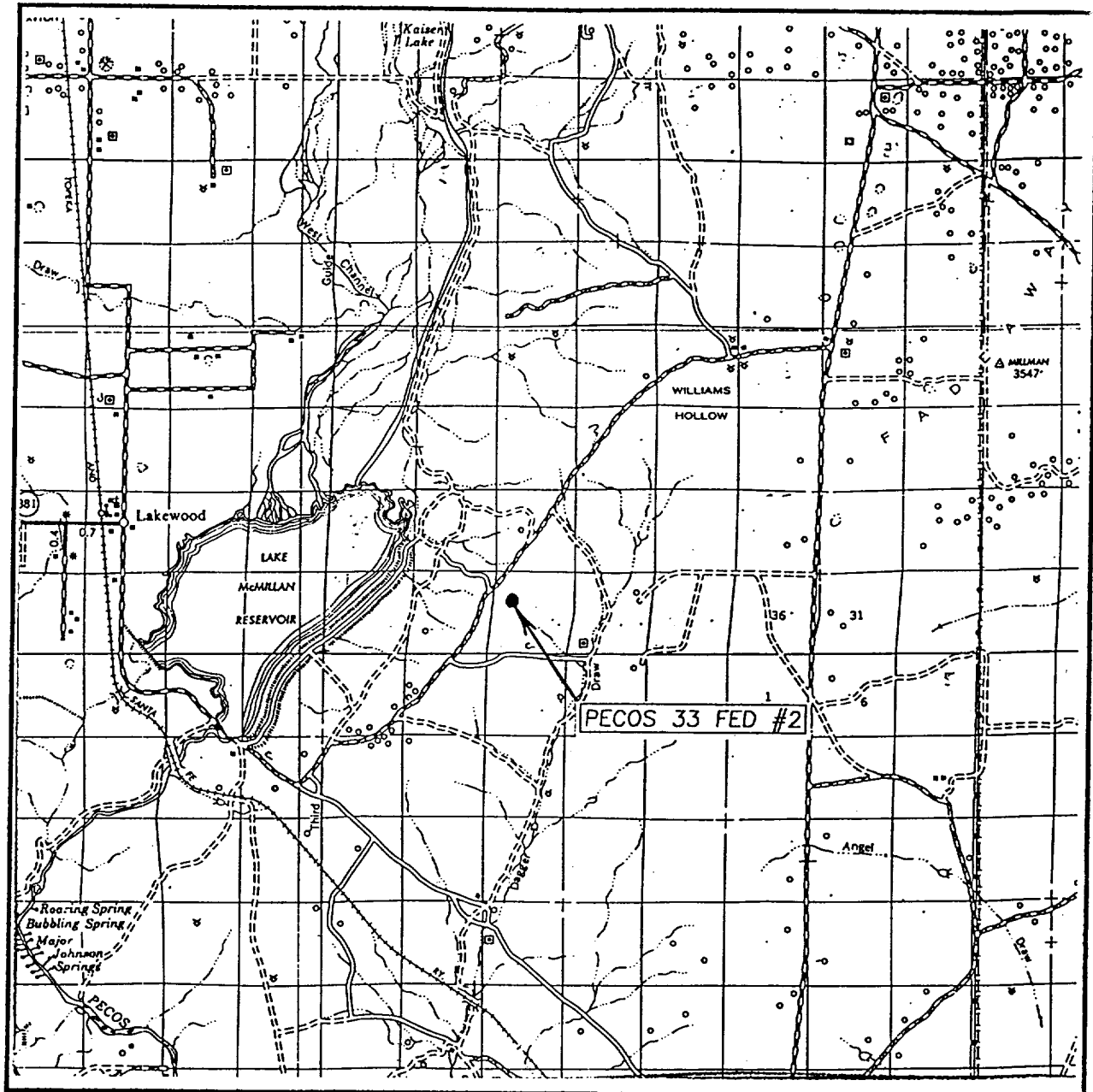
|                 |                 |                    |           |         |               |                  |               |                |        |
|-----------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot No.   | Section         | Township           | Range     | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|                 |                 |                    |           |         |               |                  |               |                |        |
| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |         |               |                  |               |                |        |
| 320             |                 |                    |           |         |               |                  |               |                |        |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

|  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Joe T. Janica</i><br/>Signature<br/>Joe T. Janica<br/>Printed Name<br/>Agent<br/>Title<br/>02/14/02<br/>Date</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>FEBRUARY 12, 2002</p> <p>Date Surveyed<br/>Signature &amp; Seal of Professional Surveyor<br/>Professional Surveyor<br/>NEW MEXICO<br/>02/13/02<br/>02.11.0118<br/>Certificate No. RONALD L. EDSON 3239<br/>GARY EDSON 12641</p> |
|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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# VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 33 TWP. 19-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1780' FNL & 1650' FWL

ELEVATION 3458'

OPERATOR POGO PRODUCING COMPANY

LEASE PECOS 33 FEDERAL

**JOHN WEST SURVEYING**  
**HOBBS, NEW MEXICO**  
**(505) 393-3117**

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CONTOUR INTERVAL: 10'  
LAKE McMILLAN SOUTH, N.M.

LAKE McMILLAN SOUTH, N.M.

COUNTY \_\_\_\_\_ EDDY

JOHN WEST SURVEYING  
HOBBS, NEW MEXICO  
(505) 393-3117

(505) 393-3117

LEASE PECOS 33 FEDERAL

U.S.G.S. TOPOGRAPHIC MAP  
LAKE McMILLAN SOUTH, N.M.



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## APPLICATION TO DRILL

POGO PRODUCING COMPANY  
 PECOS "33" FEDERAL # 2  
 UNIT "F" SECTION 33  
 T19S-R27E EDDY CO. NM

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is provided for your consideration.

1. Location: 1980' FNL & 1650' FWL SEC. 33 T19S-R27E EDDY CO. NM.
2. Elevation above Sea Level: 3455' GR.
3. Geologic name of surface formation: Quaternary Aeolian Deposits.
4. Drilling tools and associated equipment: Conventional rotary drilling rig using drilling mud as a circulating medium for solids removal from hole.
5. Proposed drilling depth: 11,000'
6. Estimated tops of geological markers:

|                     |       |                 |        |
|---------------------|-------|-----------------|--------|
| San Andres          | 1550' | Cisco           | 8370'  |
| 1st Bone Spring Sd. | 5550' | Strawn          | 9330'  |
| 3rd Bone Spring Sd. | 7420' | Atoka           | 9680'  |
| Wolfcamp            | 7860' | Morrow Clastics | 10180' |
7. Possible mineral bearing formations:

|             |     |        |     |
|-------------|-----|--------|-----|
| Bone Spring | Oil | Strawn | Gas |
| Wolfcamp    | Oil | Atoka  | Gas |
| Cisco       | Gas | Morrow | Gas |
8. Casing program:

| Hole size    | Interval  | OD of casing | Weight | Thread | Collar | Grade       |
|--------------|-----------|--------------|--------|--------|--------|-------------|
| 25"          | 0-40'     | 20"          | NA     | NA     | NA     | Conductor   |
| 17½"         | 0-500'    | 13 3/8"      | 48     | 8-R    | ST&C   | H-40        |
| 12¼"         | 0-3000'   | 9 5/8"       | 40.5   | 8-R    | ST&C   | J-55        |
| * 8½"-7 7/8" | 0-11,000' | 5½"          | 17     | 8-R    | LT&C   | N-80 & J-55 |

\* Drill 8½" hole to the base of the Cisco and if no lost circulation problems are encountered, reduce hole to 7 7/8" and continue to TD.

# APPLICATION TO DRILL

POGO PRODUCING COMPANY  
 PECOS "33" FEDERAL # 2  
 UNIT "F" SECTION 33  
 T19S-R27E EDDY CO. NM

## 9. CEMENTING & SETTING DEPTH:

|         |              |                                                                                                                                                                                                                                                                                      |
|---------|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 20"     | Conductor    | Set 40' of 20" conductor pipe and cement to surface with Redi-mix.                                                                                                                                                                                                                   |
| 13 3/8" | Surface      | Set 500' of 13 3/8" H-40 48# ST&C casing. Cement with 550 Sx. of Class "C" cement + 2% CaCl + 1/4# Flocele/Sx. circulate cement to surface.                                                                                                                                          |
| 9 5/8"  | Intermediate | Set 3000' of 9 5/8" J-55 40.5# ST&C casing. CEment with 1200 Sx. of Class "C" cement + 2% CaCl + 1/4# Flocele/Sx. circulate cement to surface.                                                                                                                                       |
| 5 1/2"  | Production   | Set 11,000' of 5 1/2" casing as follows: 3000' of 5 1/2" 17# N-80, 6000' of 5 1/2" 17# J-55, 2000' of 5 1/2" 17# N-80 all LT&C casing. Cement in 3 stages DVtools at 9100± & 6000'. Cement with 1000 Sx. of Class "H" Premium Plus cement + additives, estimate top of cement 2000'. |

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" shows a 1500 Series 5000 PSI working pressure B.O.P., consisting of an annular bag type preventor, middle blind rams and bottom pipe rams. The B.O.P. will be nipped up on the 13 3/8" casing and tested to API specifications. The B.O.P. will be operated at least once in each 24 hour period and the blind rams will be operated when drill pipe is out of hole on trips. Full opening stabbing valve and upper kelly cock will be utilized. Exhibit "E-1" shows a hydraulically operated closing unit and a 2" 5000 PSI choke manifold with dual adjustable chokes. No abnormal pressures or temperatures are expected.

## 11. PROPOSED MUD CIRCULATING SYSTEM:

| DEPTH        | MUD WT.   | VISC. | FLUID LOSS       | TYPE MUD SYSTEM                                                                         |
|--------------|-----------|-------|------------------|-----------------------------------------------------------------------------------------|
| 40-500'      | 8.4-8.6   | 29-38 | NC               | Fresh water Spud mud add paper to control seepage.                                      |
| 500-3000'    | 10.1-10.2 | 29-38 | NC               | Brine water use paper to control seepage and lime to pH.                                |
| 3000-9500'   | 8.6-8.8   | 29-38 | NC               | Fresh water use paper to control seepage and high viscosity sweeps to clean hole.       |
| 9500-11,000' | 8.6-8.8   | 29-38 | 10 cc<br>or less | Fresh water Dris-pac system use Gel to control viscosity Hi visc. sweeps to clean hole. |

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, or unexpected kicks. In order to run DST's, open hole logs, and casing viscosity and/or water loss may have to be adjusted to meet these needs.

APPLICATION TO DRILL

POGO PRODUCING COMPANY  
PECOS "33" FEDERAL # 2  
UNIT "F" SECTION 33  
T19S-R27E EDDY CO. NM

12. TESTING, LOGGING, & COREING PROGRAM:

- A. Open hole logs: Dual-Laterolog, Gamma Ray Caliper, SNP, Sonic from TD to 3000'  
Run Gamma Ray, Neutron from 3000' to surface.
- B. Mud logger will be placed on hole from a depth to be decided on by Geologist  
and will remain on the hole to TD.
- C. DST's will be run as shows dictate.
- D. Cores will be taken at the discretion of the Geologist.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered, H<sub>2</sub>S detectors will be in place to detect any presence of unsafe levels of H<sub>2</sub>S. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operations of all equipment that will be used. Estimated BHP 5000 PSI & estimated BHT 178°.

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Roads and location construction will begin after the BLM approves the APD. Anticipated spud date will be as soon as pad & road construction has been completed. Drilling time for the well is estimated to take 43 days. If production casing is run an additional 30 days will be required to complete well and construct surface facilities.

15. OTHER FACETS OF OPERATION:

After running production casing, cased hole Gamma-Neutron & Collar logs will be run over all possible pay intervals. If commercial production from the MORROW pay is indicated it will be perforated and stimulated. Then if necessary the pay will be swab tested and completed as a gas well.

## HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

1. All Company and Contract personnel admitted on location must be trained by a qualified H<sub>2</sub>S safety instructor to the following:
  - A. Characteristics of H<sub>2</sub>S
  - B. Physical effects and hazards
  - C. Proper use of safety equipment and life support systems.
  - D. Principle and operation of H<sub>2</sub>S detectors, warning system and briefing areas.
  - E. Evacuation procedure, routes and first aid.
  - F. Proper use of 30 minute pressure demand air pack.
2. H<sub>2</sub>S Detection and Alarm Systems
  - A. H<sub>2</sub>S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.
3. Windsock and/or wind streamers
  - A. Windsock at mudpit area should be high enough to be visible.
  - B. Windsock at briefing area should be high enough to be visible.
  - C. There should be a windsock at entrance to location.
4. Condition Flags and Signs
  - A. Warning sign on access road to location.
  - B. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H<sub>2</sub>S present in dangerous concentration. Only emergency personnel admitted to location.
5. Well control equipment
  - A. See exhibit "E"
6. Communication
  - A. While working under masks chalkboards will be used for communication.
  - B. Hand signals will be used where chalk board is inappropriate.
  - C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephoned will be available at most drilling foreman's trailer or living quarters.
7. Drillstem Testing
  - A. Exhausts will be watered.
  - B. Flare line will be equipped with an electric ignitor or a propane pilot light in case gas reaches the surface.
  - C. If location is near any dwelling a closed D.S.T. will be performed.

## HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

8. Drilling contractor supervisor will be required to be familiar with the effects  $H_2S$  has on tubular goods and other mechanical equipment.
9. If  $H_2S$  is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with  $H_2S$  scavengers if necessary.

# SURFACE USE PLAN

POGO PRODUCING COMPANY  
PECOS "33" FEDERAL # 2  
UNIT "F" SECTION 33  
T19S-R27E EDDY CO. NM

1. EXISTING ROADS & PROPOSED ROADS: Area maps; Exhibit "B" is a reproduction of a County General Hi-way Map. Exhibit "C" is a reproduction of a USGS Topographic Map, showing existing and proposed roads. All existing roads will be maintained in a condition equal to or better than current conditions. Any new roads will be constructed to BLM specifications.
  - A. Exhibit "A" shows the proposed well site as staked.
  - B. From Hobbs New Mexico take U.S. Hi-way 62-180 toward Carlsbad New Mexico go 68 miles to Milepost 39 turn right on to CR-604 (North loop road) go 4.5 miles to to CR-206 take CR-206 North 2.6 miles to CR-34 go 8.8 miles to CR-236 (Netherlin road) go 3.7 miles on CR-236 then turn Right go 1600' to location.
  - C. If well is productive lay pipelines along road R-O-W to sales line see Exhibit "F".
2. PLANNED ACCESS ROADS: Approximately 1600' of new road will be constructed.
  - A. The access roads will be crowned and ditched to a 12' wide travel surface with a 40' Right-of-Way.
  - B. Gradient of all roads will be less than 5.00%.
  - C. If turn-outs are necessary they will be constructed.
  - D. If needed roads will be surfaced with a minimum of 4" of caliche. This material will be obtained from a local source.
  - E. Center-line for new roads will be flagged. Earth-work will be will be done as field conditions require.
  - F. Culverts will be placed in the access road if they are necessary. The roads will be constructed to utilize low water crossings for drainage as required by topography.
3. LOCATIONS OF EXISTING WELLS IN A ONE MILE RADIUS. EXHIBIT "A-1"
  - A. Water wells None known
  - B. Disposal wells None known
  - C. Drilling wells None known
  - D. Producing wells As shown on Exhibit "A-1"
  - E. Abandoned wells As shown on Exhibit "A-1"

## SURFACE USE PLAN

POGO PRODUCING COMPANY  
PECOS "33" FEDERAL # 2  
UNIT "F" SECTION 33  
T19S-R27E EDDY CO. NM

4. If on completion this well is a producer the operator will lay pipelines and and construct powerlines along existing road R-O-W's or other existing R-O-W's. Possible pipelines, flowlines, and powerlines are shown on Exhibit "F".

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and trucked over the access roads or piped in flexible lines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction will be obtained from the excavation of drill site, if additional material is needed it will be purchased from a local source and transported over the access route as shown on Exhibit "C".

7. METHODS OF HANDLING WASTE MATERIAL:

- A. Drill cuttings will be disposed of in the reserve pit.
- B. All trash, junk and other waste material will be contained in trash cages or bins to prevent scattering. When the job is completed all contents will be removed and disposed of in a approved sanitary land fill.
- C. Salts remaining after completion of well will be picked up by supplier including broken sacks.
- D. Sewage from living quarters will drain into holes with a minium depth of 10'. These holes will be covered during drilling and will be back filled upon completion. A Porta-John will be provided for the rig crews. This equipment will be properly maintained during the drilling operations and removed upon completion of the well.
- E. Remaining drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry enough for breaking out. In the event that drilling fluids do not evaporate in a reasonable time they will be hauled off by transports and be disposed of at a state approved disposal facility. Later pits will be broken out to speed drying. Water produced during testing will be put in reserve pits. Any oil or condensate produced will be stored in test tanks until sold and hauled from the site.

8. ANCILLARY FACILITIES:

- A. No camps or airstrips to be constructed.



## SURFACE USE PLAN

POGO PRODUCING COMPANY  
PECOS "33" FEDERAL # 2  
UNIT "F" SECTION 33  
T19S-R27E EDDY CO. NM

### 9. WELL SITE LAYOUT:

- A. Exhibit "D" shows the proposed well site layout.
- B. This exhibit indicated proposed location of reserve and sump pits and living facilities.
- C. Mud pits in the active circulating system will be steel pits & the reserve pit is proposed to be unlined unless subsurface condition encountered during pit construction indicate that lining is needed for lateral containment of fluids.
- D. If needed, the reserve pit is to be lined with polyethelene. The pit liner will be 6 mils thick. Pit liner will extend a minimum of 2'00" over the reserve pits dikes where the liner will be anchored down.
- E. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

### 10. PLANS FOR RESTORATION OF SURFACE:

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

However, in either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.B as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be contoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which are not required for production facilities.

SURFACE USE PLAN

POGO PRODUCING COMPANY  
PECOS "33" FEDERAL # 2  
UNIT "F" SECTION 33  
T19S-R27E EDDY CO. NM

11. OTHER INFORMATION:

- A. Topography consists of sand dunes with a slight dip to the West. Deep sandy soil supports shinny oak, native grasses, and an occasional mesquite tree.
- B. Surface is owned by the U.S. Government and is administered by the Bureau of Land Management. The surface is used for grazing livestock and the production of oil and gas.
- C. An archaeological survey will be conducted on the location and access roads. This report will be filed with The Bureau of Land Management in the Carlsbad field office.
- D. There are no dwellings in the near vicinity of this location.

12. OPERATORS REPRESENTIVES:

Before construction:

TIERRA EXPLORATION, INC  
P.O. BOX 2188  
HOBBS, NEW MEXICO 88241  
OFFICE Ph. 505-391-8503  
JOE T. JANICA

During and after construction:

POGO PRODUCING COMPANY  
P.O. BOX 10340  
MIDLAND, TEXAS 79702-7340  
OFFICE Ph. 915-685-8100  
Mr. RICHARD WRIGHT 915-685-8140

13. CERTIFICATION: I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access roads, and that I am familiar with the conditions which currently exist, that the statements made in this plan are to the best of my knowledge true and correct, and that the work associated with the operations proposed herein will be performed by POGO PRODUCING COMPANY it's contractors/subcontractors is in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provision of U.S.C. 1001 for the filing of a false report.

NAME :

DATE :

TITLE :

12/28/01

Agent

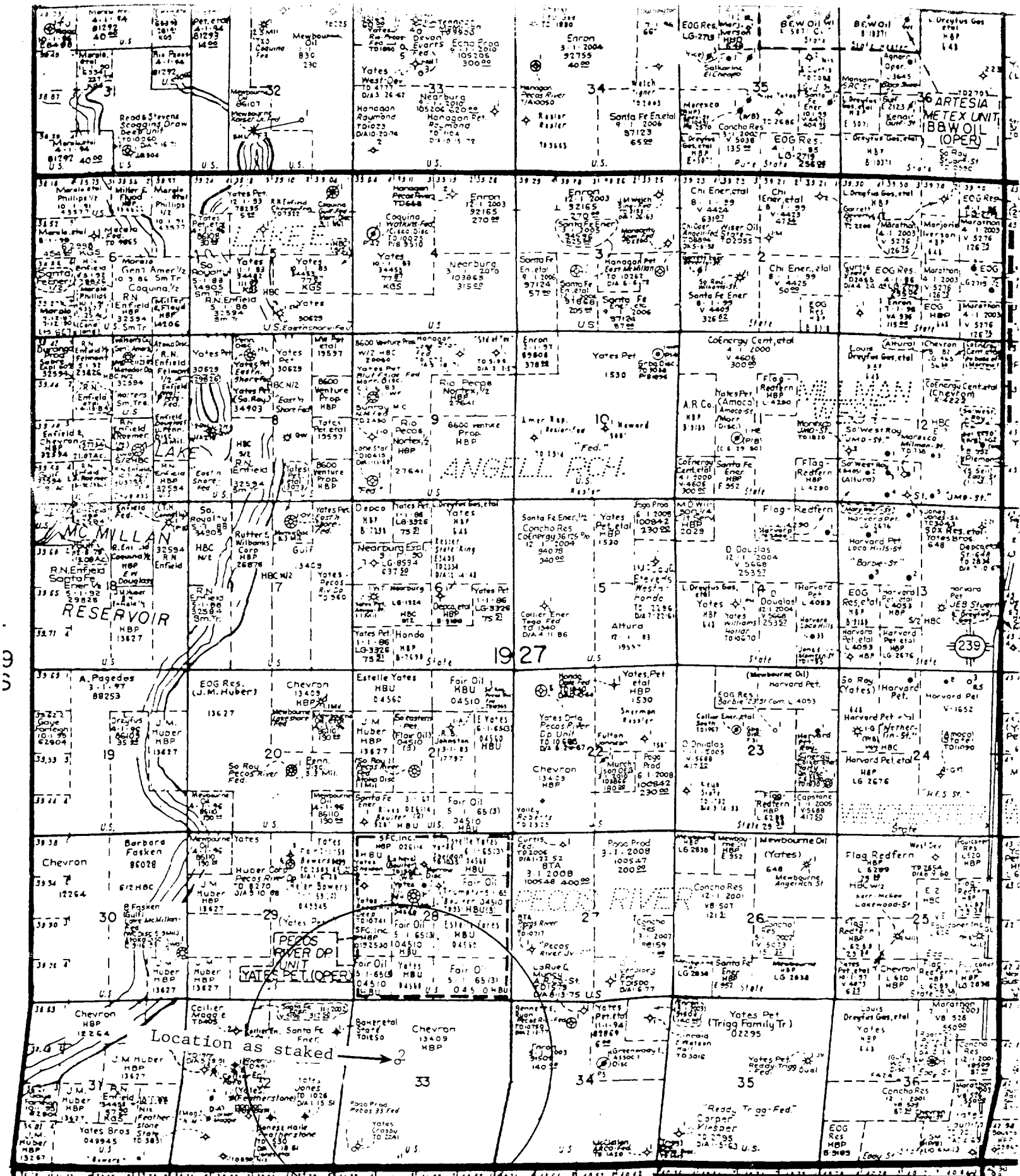
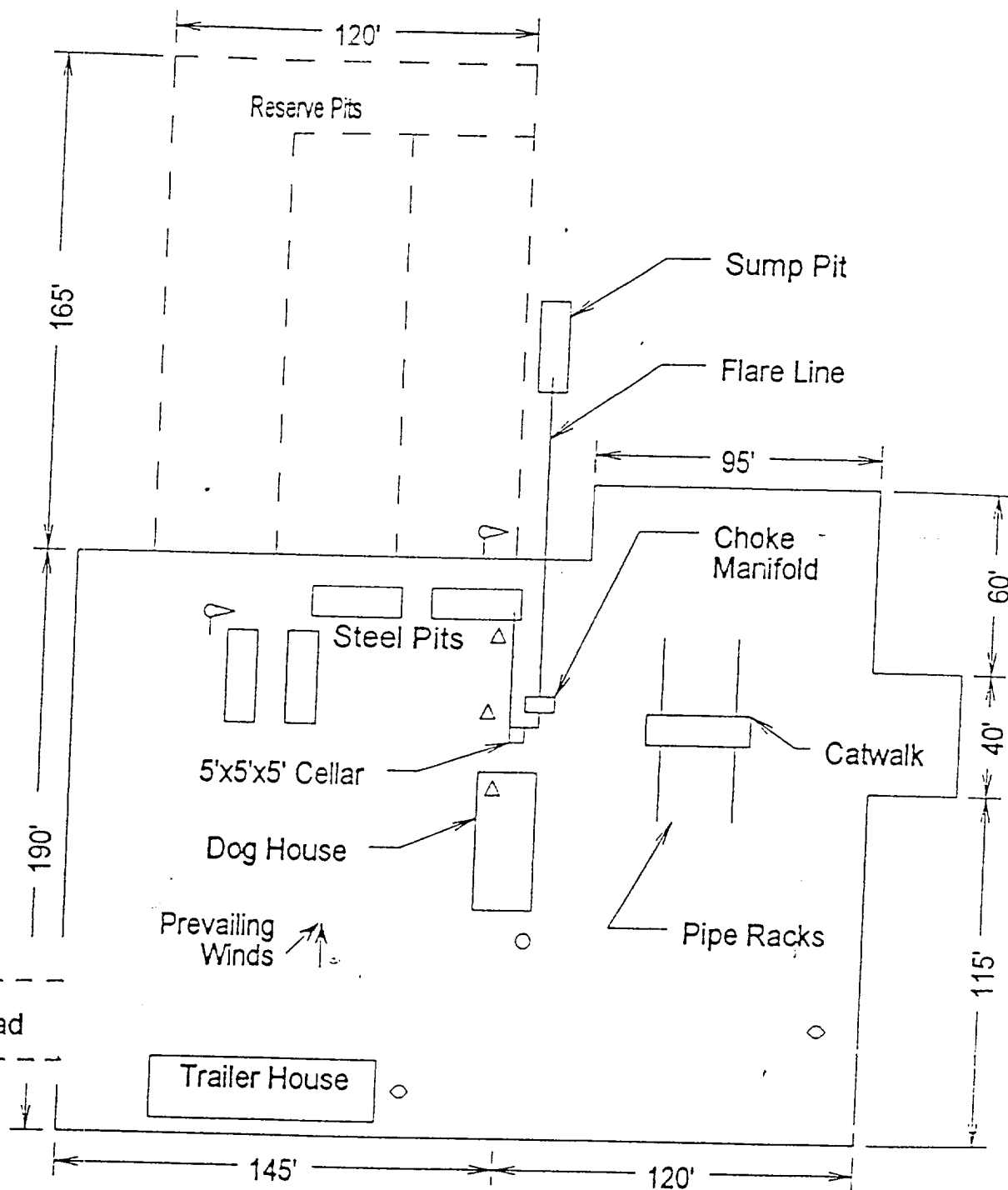


EXHIBIT "A-1"  
ONE MILE RADIUS MAP

POGO PRODUCING COMPANY  
PECOS "33" FEDERAL # 2  
UNIT "F" SECTION 33  
T19S-R27E EDDY CO. NM



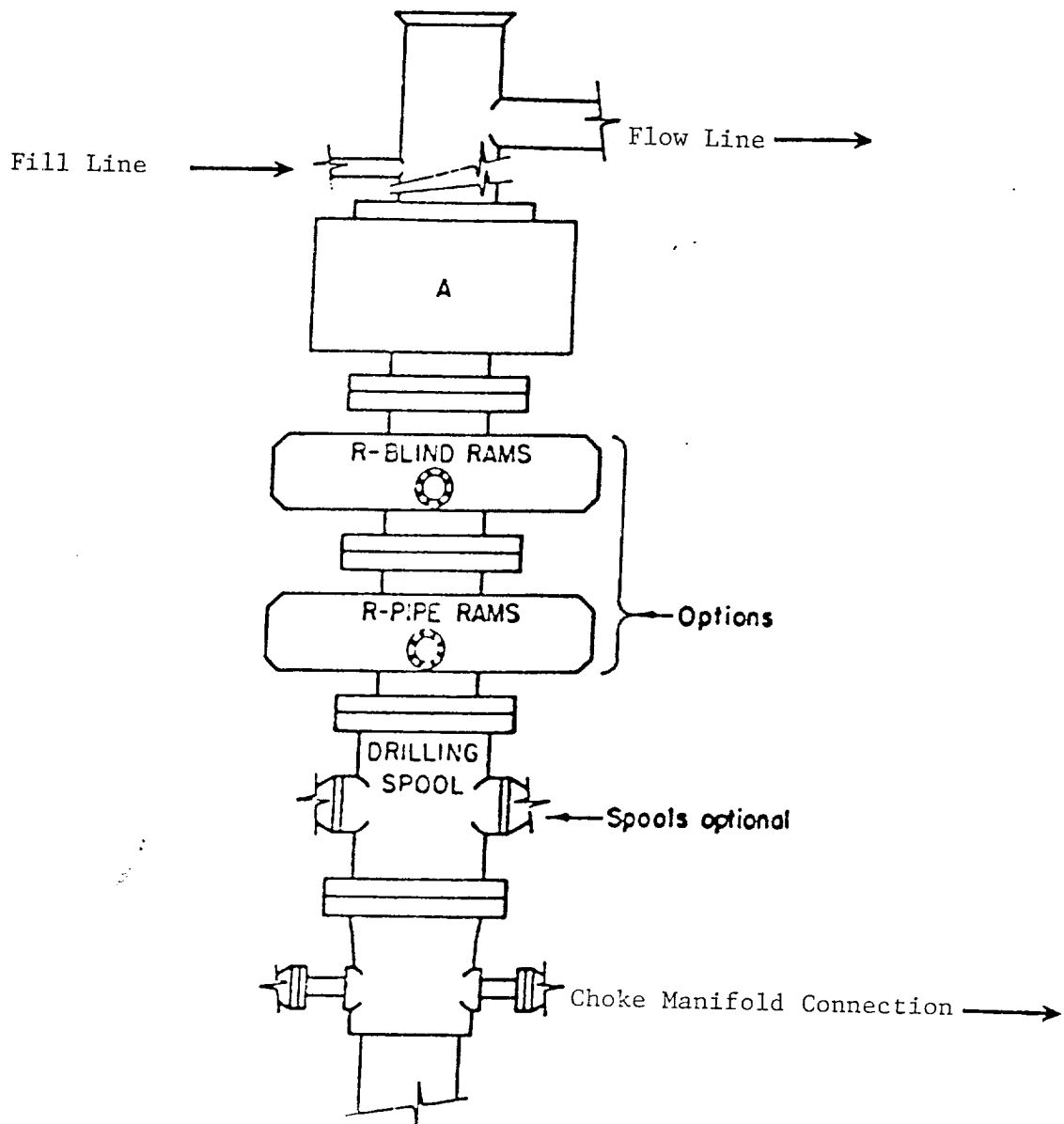




- ⚓ Wind Direction Indicators  
(wind sock or streamers)
- △ H2S Monitors  
(alarms at bell nipple and shale shaker)
- Briefing Areas
- Remote BOP Closing Unit
- Sign and Condition Flags

EXHIBIT "D"  
RIG LAY OUT PLAT

POGO PRODUCING COMPANY  
PECOS "33" FEDERAL # 2  
UNIT "F" SECTION 33  
T19S-R27E EDDY CO. NM



### ARRANGEMENT SRRA

1500 Series  
5000 PSI WP

EXHIBIT "E"  
SKETCH OF B.O.P. TO BE USED ON

POGO PRODUCING COMPANY  
PECOS "33" FEDERAL # 2  
UNIT "F" SECTION 33  
T19S-R27E EDDY CO. NM

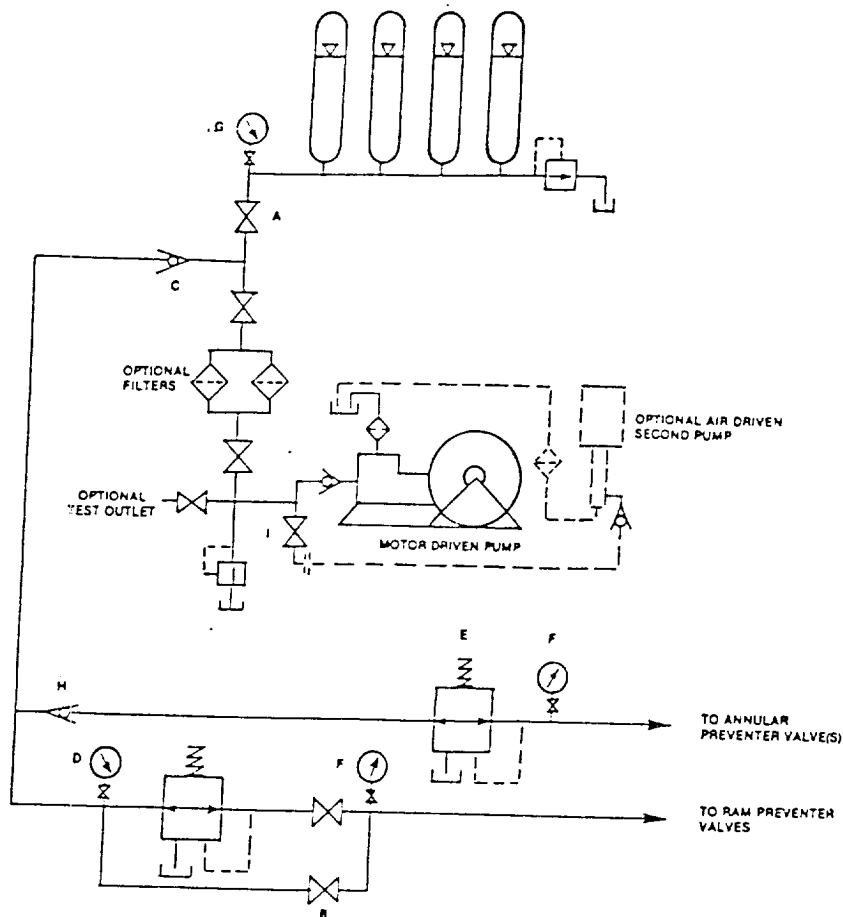


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

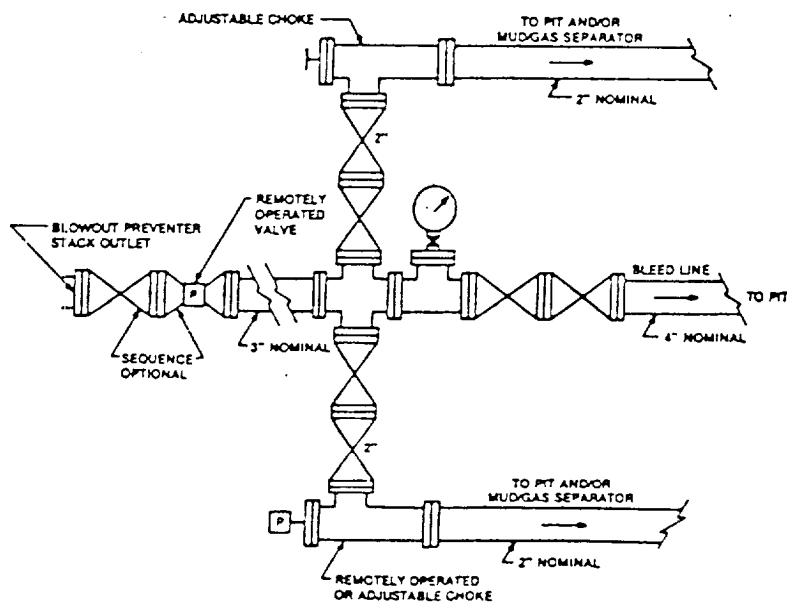


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.

EXHIBIT "E-1"  
CHOKE MANIFOLD & CLOSING UNIT

POGO PRODUCING COMPANY  
PECOS "33" FEDERAL # 2  
UNIT "F" SECTION 33  
T19S-R27E EDDY CO. NM



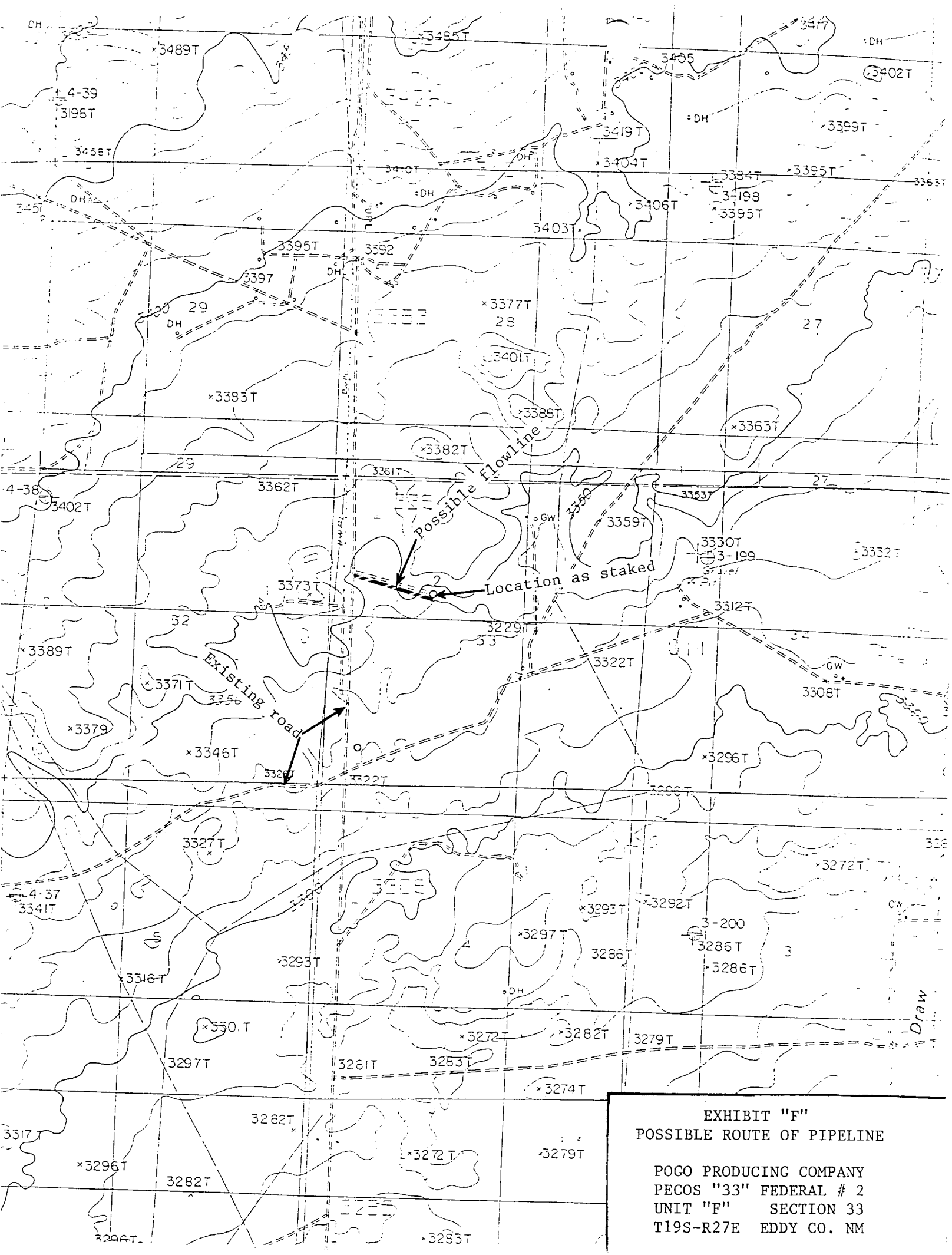


EXHIBIT "F"  
POSSIBLE ROUTE OF PIPELINE

POGO PRODUCING COMPANY  
PECOS "33" FEDERAL # 2  
UNIT "F" SECTION 33  
T19S-R27E EDDY CO. NM