



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

July 21, 2000
Bureau of Land Management
620 East Green Street
Carlsbad, New Mexico 88220-6292
Attn: Craig Cranston

Re: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: Pogo Producing Company
LEASE NAME: Lost Tank '35' State #4
LOCATION: SEC. 35, TWP. 21 S & RGE. 31 E
FOOTAGE: 330' FSL /560'FWL

PROPOSED DEPTH: 8500'

Dear Madam/Sir,

The application for permit to drill identified above has been filed with this office of the New Mexico Oil Conservation Division. Pursuant to the provision of Oil Conservation Division Order R-111-P, please advise this office whether or not this location is within an established Life-of-Mine area filed with and approved by your office. If not, please advise whether it is within the buffer zone established by this order.

Yours truly,

Bryan G. Arrant
District Geologist-Artesia OCD

IN LMR
IN BUFFER ZONE

YES * NO _____
YES _____ NO _____

COMMENTS

Mississippi Potash LMR

Date Reviewed

7-21-2000 Craig Cranston BLM

District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Bravos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

January 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address: POGO PRODUCING COMPANY P.O. BOX 10340 MIDLAND, TEXAS 79702-7340		OGRID Number 17891
Property Code		Property Name LOST TANK "35" STATE
		Well No. 4

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M.	35	21S	31E		330'	South	560	West	EDDY

Proposed 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

Proposed Pool 1 LOST TANK-DELAWARE 40299	Proposed Pool 2
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Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3520'
Multiple NO	Proposed Depth 8500	Formation DELAWARE	Contractor UNKNOWN	Spud Date WHEN APPROVED

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	54.5	800'	775	Circulate
11"	8 5/8"	24 & 32	4300'	1400	Circulate
7 7/8"	5 1/2"	15.5 & 17	8500'	1400	Circulate

* Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

1. Drill 17 1/2" hole to 800'. Run and set 800' of 13 3/8" 54.5# J-55 ST&C casing. Cement with 775 Sx. of Class "C" cement + 2% CaCl. Circulate cement to surface.
2. Drill 11" hole to 4300'. Run and set 4300' of 8 5/8" 24 & 32# J-55 ST&C casing. Cement with 1400 Sx. of Class "C" cement + additives. Circulate cement to surface.
3. Drill 7 7/8" hole to 8500'. Run and set 8500' of 5 1/2" 15.5 & 17# J-55 LT&C casing. Cement with 1400 Sx. of Class "C" & Class "H" cement + additives. Circulate cement to surface.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: <i>Joel T. Janice</i>		Approved by:	
Printed name: <i>Joel T. Janice</i>		Title:	
Title: Agent		Approval Date: Expiration Date:	
Date: 02/14/98	Phone: 505-392-2112	Conditions of Approval: Attached C	

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

3304 CAMINO LISA
HYDE PARK ESTATES
SANTA FE, NEW MEXICO 87501

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



July 17, 2000

Via Fax (748-9720) and U.S. Mail

Tim Gum
Supervisor
Oil Conservation Division
811 South First Street
Artesia, New Mexico 88210

Re: Pogo Producing Company
Lost Tank "35" State Well No. 14
330 feet FSL & 560 feet FWL
SW $\frac{1}{4}$ SW $\frac{1}{4}$ S35, Township 21 South, Range 31 East, NMPM
Eddy County, New Mexico

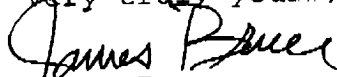
Dear Mr. Gum:

I represent Pogo Producing Company ("Pogo"). Enclosed is an APD for the above well, which is submitted for the Division's approval. (A C-102 is being prepared, and will be submitted to you tomorrow.)

The proposed well is within the oil-potash area, and the affected potash lessee is Mississippi Potash, Inc. ("MPI"). MPI originally objected to the location by letter dated March 2, 1998 (copy enclosed). However, Pogo and MPI have recently come to agreement regarding drilling of a Delaware oil well in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 35, under which MPI will waive objection to the above location. The final agreement has not been fully signed, so by copy of this letter to Charles C. High, Jr., attorney for MPI, Pogo requests a waiver of objection to this location.

Please call me if you need anything further with respect to the APD.

Very truly yours,


James Bruce

Attorney for Pogo Producing Company





March 2, 1998

POGO Producing Company
300 North Marienfeld, Suite 600
Midland, TX 79702-7340

Attention: Mr. R. Scott McDaniel, Senior Landman

Re: Lost Tank Prospect NM-621
Lost Tank "35" State Well No. 4
Section 35, T-21-S, R-31-E
Eddy County, New Mexico

Dear Mr. McDaniel:

In accordance with the State of New Mexico, Energy, Minerals and Natural Resources Department Oil Conservation Commission Order R-111-P, Mississippi Potash, Inc. objects to the drilling of the proposed Lost Tank "35" State Well No. 4 by POGO Producing Company. This well is located inside the LMR of MPI.

Sincerely,

A handwritten signature in cursive script that reads 'Jill Farnsworth'.

Jill Farnsworth
Chief Mine Engineer

Cc: Mr. Ray Smith
Field Rep I
Oil Conservation Division
811 S. 1st St.
Artesia, NM 88210

Ms. Kathleen Garland
Acting Director
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505





NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Oil Conservation Division
District II

811 South First Street, Artesia, NM 88210
Phone: (505) 748-1283 • Fax (505) 748-9720
<http://www.emnrd.state.nm.us>

FAX COVERSHEET

TO: Craig Crausten

DATE: 7-21-00

FROM: Bryan Arant

Number of Pages (including Coversheet): 5

Message (if any): _____

If you have any trouble with this transmission, please call (505) 748-1283.

887 6544 Fax - 885-9264

RECEIVED
OCD ARTESIA