APP	LICATION FOR F	ERMIT TO DF		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
. TYPE OF WORK	RILL A			7. UNIT AGREEMENT NAME
. TIPE OF WELL		DEEPEN		
OIL WELL	WELL X OTHER	<u>al</u>	BINGLE X MULT ZONE ZONE	0. FARM OR LEASE NAME, WELL NO.
NAME OF OPERATOR POGO PRODUCI	NC COMPANY 172			DALTON "13" FEDERAL # 2
ADDRESS AND TELETHONE		(RICHARD WI	RIGHT 915-685-814	() 9. AT WELNO.
P.O. BOX 103	340 MIDLAND, TEX	AS 79702-7340	(915-695-8100)	10. FIELD AND POOL, OF WILDCAT
LOCATION OF WELL At surface	(Report location clearly and	in accordance with a		
660' FNL & 1	400' FWL SEC. 13	T22S-R22E	EDDY CO. NM	LINDESMORROW 11. SBC., T., R., M., OR BLE. AND SURVEY OR AREA
At proposed prod. z	one 660' FNL 🍇	660' FWL SEC.	13 T22S-R22E	
DISTANCE IN MILE	S AND DIBECTION FROM NEA			12. COUNTY OF PARISE 13. STATE
	y 30 miles West			EDDY CO. NEW MEXICO
DIBTANCE FROM PRO LOCATION TO NEARE	PUBED*		NO. OF ACRES IN LEASE	17. NO. OF ACRES ABSIGNED
PROPERTY OR LEASE		660'	640	TO THIS WELL 320
DISTANCE FROM PROTO NEAREST WELL,	DRILLING, COMPLETED.		PROPOSED DEPTH	20. BOTARY OR CABLE TOULS
OR APPLIED FOR, ON T		000'	. 10,000'	ROTARY
ELEVATIONE (Show w	whether DF, RT, GR, etc.)	4350' GR.	Controlled V	22. APPROL DATE WORE WILL START. WHEN APPROVED
			AND CEMENTING PROGRA	
SIZE OF ROLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
2 <u>5''</u>	Conductor	NA	40'	Cement to surface with Redi-mix.
<u> </u>	<u>J-55 13 3/8"</u>	54.5	1000'	1200 Sx. circulate cement to surf
124"	J-55 9 5/8"	40	2300'	1000 Sx. "" "
$\frac{8\frac{1}{5}''}{6 1/8''}$	<u>N-80 7''</u> N-80 5''	<u> </u>	7610' MD	775 Sx. 3 stages top of cement 1 200 Sx. cement to top of liner
	SEE	ATTACHED SHEE	T	APPROVAL SUBJECT TO General Requirements and Special Stipulations Attached
Pogo	Producing Compar	ly accepts the	responsibility f	for operations on this lease.
30VE SPACE DESCRIE n directionally, give perc	E PROPOSED PROGRAM: If p inent data on subsurface locations	roposal is to deepen, give da and measured and true vert	ata on present productive zone a ical depths. Give blowout prever	
SIGNED TO	. T Jane	C TITLE	Agent	
	ral of State office use)			
This spece for Fede				
This space for Fede			APPBOVAL DATE	case which would entitle the applicant to conduct operations thereon.

the 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 nited States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

BUREAU OF LARE MEMT. STOLLAR OF AND MEMT. RECEIVED

- 1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
- 2. Drill 17¹/₂" hole to 1000'. Run and set 1000' of 13 3/8" 54.5# J-55 ST&C casing. Cement with 1200 Sx. of Class "C" cement + 2% CaCl + ¹/₂# Flocele/Sx., circulate cement to surface.
- 3. Drill 12¼" hole to 2300'. Run and set 2300' of 9 5/8" 40# J-55 ST&C casing. Cement with 1000 Sx. of Class "C" cement + 2% CaCl, + ½# Flocele/Sx. circulate cement to surface.
- 4. Drill 8½" hole to 7610' MD. Run and set 7610' of 7" 26# N-80 ST&C casing. Cement in three stages, DV Tools at 6000'±, 4500'±. 1st stage cement with 225 Sx. of Class "H" + additives, 2nd stage cement with 200 Sx. of Class "H" + additives. 3rd stage cement with 350 Sx. of Class "C" cement + additives. Estimate top of cement 1800' from surface.
- 5. Drill 6 1/8" hole to 10,000'. Run and set a 5" 18# N-80 ST&C liner from 10,000 TVD. Cement with 200 Sx. of Class "H" Premium Plus cement + additives. Cement to top of liner at 7400'.

DISTRICT I

P.O. Box 1980, Hobbs, NM 88341-1980

DISTRICT II P.O. Druwer DD, Artonia, NM 85211-0719

DISTRICT III

1000 Rio Brazos Rd., Astec, NM 87410

DISTRICT IV P.O. BKX 2008, BANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API NumberPool CodePool Name
UNDES. - MORROWProperty CodeProperty Name
DALTON 13 FEDERALWell Number
2OGRID No.Operator NameElevation
4350'17891POGO PRODUCING COMPANY4350'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
С	13	22-S	22-E		660	NORTH	1400	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
D	13	22-S	22-E		660	NORTH	660	WEST	EDDY
Dedicated Acres	Joint of	r Infill Co	onsolidation (Code Or	der No.	L		L	
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

BHL 4347.5' 3 BHL 4346.4' 	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.
4348.6' 4350.2'	Signature Joe T. Janica Printed Name
	Agent Title 07/09/01 Date SURVEYOR CERTIFICATION
	I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief.
	JUNE 11, 2001 Date Surveyed E/ Signature & Seal. of Solution Professional Surveyor, 1 DAM, 15 talpon 5/5/01 01-11-07:38 Certificate No. RONALA 2-STIDSON 3239
	Certificate No., RONALA FEIDSON 3239

State of New Mexico

Energy, Minerals and Natural Resources Department

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

AMENDED REPORT

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

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. <u>13</u> TWP.<u>22–S</u> RGE. <u>22–E</u> SURVEY_____N.M.P.M. COUNTY_____EDDY DESCRIPTION <u>660' FNL & 1400' FWL</u> ELEVATION <u>4350'</u> OPERATOR <u>POGO PRODUCING COMPANY</u> LEASE____DALTON <u>13</u> FEDERAL

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

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CRAWLEY DRAW, N.M.

SEC. <u>13</u> TWP.<u>22-S</u> RGE.<u>22-E</u> SURVEY <u>N.M.P.M.</u> COUNTY <u>EDDY</u> DESCRIPTION <u>660' FNL & 1400' FWL</u> ELEVATION <u>4350'</u> OPERATOR <u>POGO PRODUCING COMPANY</u> LEASE <u>DALTON 13 FEDERAL</u> U.S.G.S. TOPOGRAPHIC MAP CONTOUR INTERVAL: 20' CAWLEY DRAW, N.M.

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

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

 Location: Surface: 660' FNL & 1400' FWL SEC. 13 T22S-R22E EDDY CO. NM BHL: 660' FNL & 660' FWL SEC. 13 T22S-R22E EDDY CO. NM
Elevation above Sea Level: 4350' GR.

- 3. Geologic name of surface formation: Quaternery 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: 10,000'

6. Estimated tops	of geological markers:		
San Andres	450'	Cisco	7250 '
Glorietta	1900'	Strawn	7250'
Bone Spring	3150'	Atoka	8600 ^r
Wolfcamp	6250'	Morrow	90001
7. Possible mineral	bearing formations:		

		Tormacions:				
	Bone Spring	Oil	Strawn		Gas	
	Wolfcamp	0.11			Gas	
	Worrcamp	0i1	Atoka		Gas	
	Cisco	C			945	
8.	Casing program:	Gas	Morrow		Gas	

Hole size	Interval	OD of casing	Weight	Thread	Collar	Grade
25''	0-40	20''	NA	NA	NA	Conductor -
1712"	0-1000'	13 3/8"	54.5	8-R	ST&C	J-55
124"	0-2300'	9 5/8"	40	8-R	ST&C	J-55
8 ¹ 2''	0-10,000'	7"	26	8-R	LT&C	N-80

9. CASING, CEMENTING & SETTING DEPTH:

20''	Conductor	Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
13 3/8"	Surface	Set 1000' of 13 3/8" 54.5# J-55 ST&C casing. CEment with 1200 Sx. of Class "C" cement +2% CaCl + ½# Flocele/ Sx. circulate cement to surface.
9 5/8"	Intermediate	Set 2300' of 9 5/8" 40# J-55 ST&C casing. Cement with 1000 Sx. of Class "C" cement + 2% CaCl + ½# Flocele/Sx. Circulate cement to surface.
7'' -	Production	Set 10,000' of 7" 26# N-80 LT&C casing. Cement in three stages. 1st stage cement with 650 Sx. of Class "H" + additives, 2nd stage cement with 600 Sx. of Class "C" + additives, 3rd stage cement with 400 Sx of Class "C" + additives, circulate cement to surface, DV tools set at 5500' & 2200'.

- 10. <u>PRESSURE CONTROL EQUIPMENT:</u> 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 nippled up on the 13 3/8" casing and tested to API specifications. The B.O.P. will be operated at least once in each 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 WI.	VISC.	FLUID	LOSS TYPE MUD SYSTEM
40-1000'	8.4-8.7	29-34	· NC	Fresh water spud mud use percent
1000-2300'	1010.5	29-36	NC	to control seepage. Brine water using paper to control seepage and his
2300-9000'	8.4-8.7	29-34	NC	control seepage and high viscosity sweeps to clean hole. Fresh water use paper to control
9000-10,000'	8.4-8.7	29-38	10 cc	seepage and high viscosity sweeps to clean hole. Fresh water using polymer to
			or less	to control water loss and paper to control seepage, fresh water Gel for viscosity.

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, unempected kiks. In order to run DST'S, open hole logs, and casing the viscosity and water loss may have to be adjusted to meet these meeds.

APPLICATION TO DRILL

POGO PRODUCING COMPANY DALTON "13" FEDERAL # 2 UNIT "C" SECTION 13 T22S-R22E EDDY CO. NM

12. TESTING, LOGGING, & COREING PROGRAM:

- 1. Open hole logs: Run Dual Induction, CNL, LDT, SNP, Caliper, Gamma Ray from TD to 2300'. Run Gamma Ray, Neutron from 2300' to surface.
- 2. Place mud logger on hole at at the request of the Geologist.

3. DST's will be run on shows and drilling breaks.

4. Cores will be taken at the request of the Geoligist.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered, H_2S detectors will be in place to detect any presence of unsafe levels of H_2S . 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 5200 PSI & estimated BHT 180°

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 <u>45</u> days. If production casing is run an additional <u>30</u> 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 <u>MORROW</u> pay is indicated it will be perforated and stimulated. Then if necessary the pay will be swab tested and completed as a gas well.

- 1. All Company and Contract personnel admitted on location must be trained by a qualified H_2S safety instructor to the following:
 - A. Characteristics of H₂S
 - B. Physical effects and hazzards
 - C. Proper use of safety equipment and life support systems.
 - D. Principle and operation of H₂S detectors, warning system and briefing areas.
 - E. Evacuation procedure, routes and first aid.
 - F. Proper use of 30 minute pressure demand air pack.
- 2. H₂S Detection and Alarm Systems
 - A. H₂S 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, H₂S present in dangerous concentration. Only emergency personnel admitted to location.
- 5. Well control equipment
 - A. See exhibit "E" & "E-1"
- 6. Communication

L) A

- 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 the location is near to a dwelling a closed DST will be performed.

- ...

- 8. Drilling contractor supervisor will be required to be familiar with the effects H2S has on tubular goods and other mechanical equipment.
- 9. If H₂S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas seperator will be brought into service along with H₂S scavengers if necessary.

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- EXISTING ROADS: Area maps, Exhibit "B" is a reproduction of a County General Highway Map. Exhibit "C" is a reproduction of a USGS Topographic Map, showing existing roads 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 Carlsbad NM take U.S. Hi-way 285 North to the Queens Hi-way, turn Left go 9.5± miles to Marathon Plant Road bear Right go 5.2± miles to plant continue l± mile turn Left go 2 miles bear Right (West) go 1.2± miles turn Left (South) 1.7± miles turn Right (West) go .8± miles turn Left follow road .9± miles turn Right go past gas well to fence follow fence .3± mile turn Right follow new road .8 miles to well # 1 then go Northwest 2000' to well # 2.
- 2. PLANNED ACCESS ROADS: Approximately 2000' of new road will be constructed.
 - A. The access road will be crowned and dirched to a 12'00" wide travel surface with a 40' right-of-way.
 - B. Gradient on all roads will be less than 5.00%.
 - C. Turn outs will be constructed where necessary.
 - D. If needed, road will be surfaced with a minimum of 4" of caliche. This material will be obtained from a local source.
 - E. Centerline for the new access road has been flagged. Earthwork will be as required by field conditions.
 - F. Culverts in the access road will not be used. The road will be constructed to utilize low water crossings for drainage as required by the Topography.
- 3. LOCATION OF EXISTING WELLS IN A ONE-MILE RADIUS EXHIBIT "A-1"

А.	Water wells	-	None known
в.	Disposal wells	-	None known
с.	Drilling wells	-	None Known
D.	Producing wells	-	As shown on Exhibit "A-1"
E.	Abandoned wells	-	As shown on Exhibit "A-1"

4. If, upon completion this well is a producer Pogo Producing Company will furnish maps and/or plats showing on site facilities or off site facilities if needed. This will be accompanied with a Sundry Notice.

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. Sawage 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 Ports-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 of airstrips to be constructed.

SURFACE USE PLAN

POGO PRODUCING COMPANY DALTON "13" FEDERAL # 2 UNIT "C" SECTION 13 T22S-R22E 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 entend 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.

- 11. OTHER INFORMATION:
 - A. Topography is relatively flat with a slight dip towards the East with shallow drainage patterns. Native grasses with some mesquite and shinnery oak with various cacti grow in this area.
 - B. Surface is owned by the Bureau of Land Management U.S. Department of Interior. Surface is used for grazing of livestock and is leased to ranchers for this purpose.
 - C. An archaeological survey will be conducted and copies of the survey will be filed in the Carlsbad Office of The Bureau of Land Management.
 - D. There are no dwellings or habitation within three miles of this location.

12. OPERATORS REPRESENTIVE:

Before construction:

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

During and after construction:

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

13. <u>CERTIFICATION:</u> - I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; 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, its contractors/subcontractors is in the 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 statement.

NAME : <u>post Janica</u> DATE : <u>07/09/04</u> TITLE : <u>Agent</u>











ARRANGEMENT SRRA

1500 Series 5000 PSI WP

EXHIBIT		
SKETCH OF B.O.P.	TO BE USED ON	
POGO PRODUCIN	NG COMPANY	
DALTON "13" 1	FEDERAL # 2	
UNIT "C"	SECTION 13	
T22S-R22E I	EDDY CO. NM	



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



FIGURE X42. Typical choke manufold assembly for 5M rated working pressure service — surface installation.

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EXHIBIT "E-1" CHOKE MANIFOLD & CLOSING UNIT

POGO PRODUCING COMPANY DALTON "13" FEDERAL # 2 UNIT "C" SECTION 13 T22S-R22E EDDY CO. NM