APPLICATION FOR DRILLING POGO PRODUCING COMPANY CAL-MON NO. 3 EDDY COUNTY, NEW MEXICO

In conjunction with permitting the captioned well for drilling in Section 35 T-23-S, R-31- E, Eddy County, New Mexico, Pogo Producing Company submits the following in accordance with U.S.G.S. (NTL-6) letter dated July 1, 1976:

- 1. The surface formation is Quarternary sand and gravel.
- 2. Estimated tops of geologic markers as follows:

Rustler Anhydrite and Dolomite	720'
Delaware Limestone	4435'
Bell Canyon Sandstone	4485'
Cherry Canyon Sandstone	5295'
Total Depth	6400'

- 3. The depths at which oil, gas, or water are expected are 4485' & 5295'.
- 4. Casing program and cement:

8 5/8" 24# K-55 ST&C @ 820' w/453 sxs Cl C + .6% CF-1 circulate cement

5 1/2" 14# & 15.5# K-55 ST&C @ 6400' w/DV tool @ 4100' 1st stage - 453 sxs Cl C + .6% CF-1 2nd stage - 650 sxs Pacesetter Lite C +3# Hi Seal/sxs + 5# salt/sxs. Circulate cement 100 sxs Cl C. Circulate cement.

5. Circulating Medium:

An earthen pit will be used to hold drilling fluids and cuttings. The drilling mud program is as follows:

Spud mud to 820' Cut Brine to 6400'

- 6. If warranted, drill stem tests will be carried out in the Cherry Canyon.
- 7. Ten foot samples of cuttings will be caught from the base of the surface pipe (820') to total depth.
- 8. Adequate electrical and resistivity logs will be run from total depth to the base of the surface casing at 820'. The gamma ray will be run to the surface.
- 9. Loss circulation zones are possible from the surface to 6400'.
- 10. Blow Out Preventors:

Surface to 820' 820' to 6400' - 3000# WP A typical BOP sketch is attached

11. The anticipated starting date is August 1, 1985 with the completion expected by September 15, 1985.