

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

POGO PRODUCING COMPANY

3. ADDRESS OF OPERATOR

P.O. BOX 10340, MIDLAND, TEXAS 79702-0340

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

At surface

1980' FNL AND 330' FWL OF SECTION 24

At proposed prod. zone

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

21 MILES EAST OF LOVING, NEW MEXICO

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

330'

16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

137'

19. PROPOSED DEPTH

8500'

20. ROTARY OR CABLE TOOLS

ROTARY

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

3490.0' GR

22. APPROX. DATE WORK WILL START*

UPON APPROVAL

23.

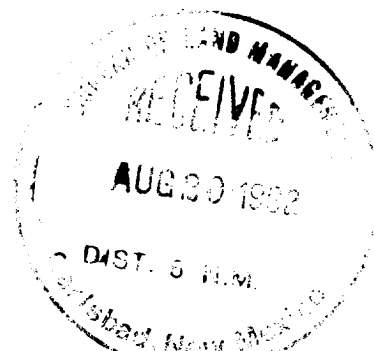
PROPOSED CASING AND CEMENTING PROGRAM

Secretary's Potash, E-111-P Potash

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	54.5#	800'	SUFFICIENT TO CIRCULATE
11"	8-5/8"	24#, 32#, 28#	4300'	SUFFICIENT TO CIRCULATE
7-7/8"	5-1/2"	15.5# & 17#	8500'	TO TIE BACK TO 3100'

AFTER SETTING PRODUCTION CASING, PAY ZONE WILL BE PERFORATED
AND STIMULATED AS NECESSARY.

SEE ATTACHED FOR: SUPPLEMENTAL DRILLING DATA
BOP SKETCH
SURFACE USE AND OPERATIONS PLAN



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on 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. Give blowout preventer program, if any.

24.

SIGNED

Richard I. Wright
Richard I. Wright

TITLE

Division Operations Supr.

DATE

August 14, 1992

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

9-15-92

CONDITIONS OF APPROVAL, IF ANY:

GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*See Instructions On Reverse Side

ATTACHED

OIL CONSERVATION DIVISION

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

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

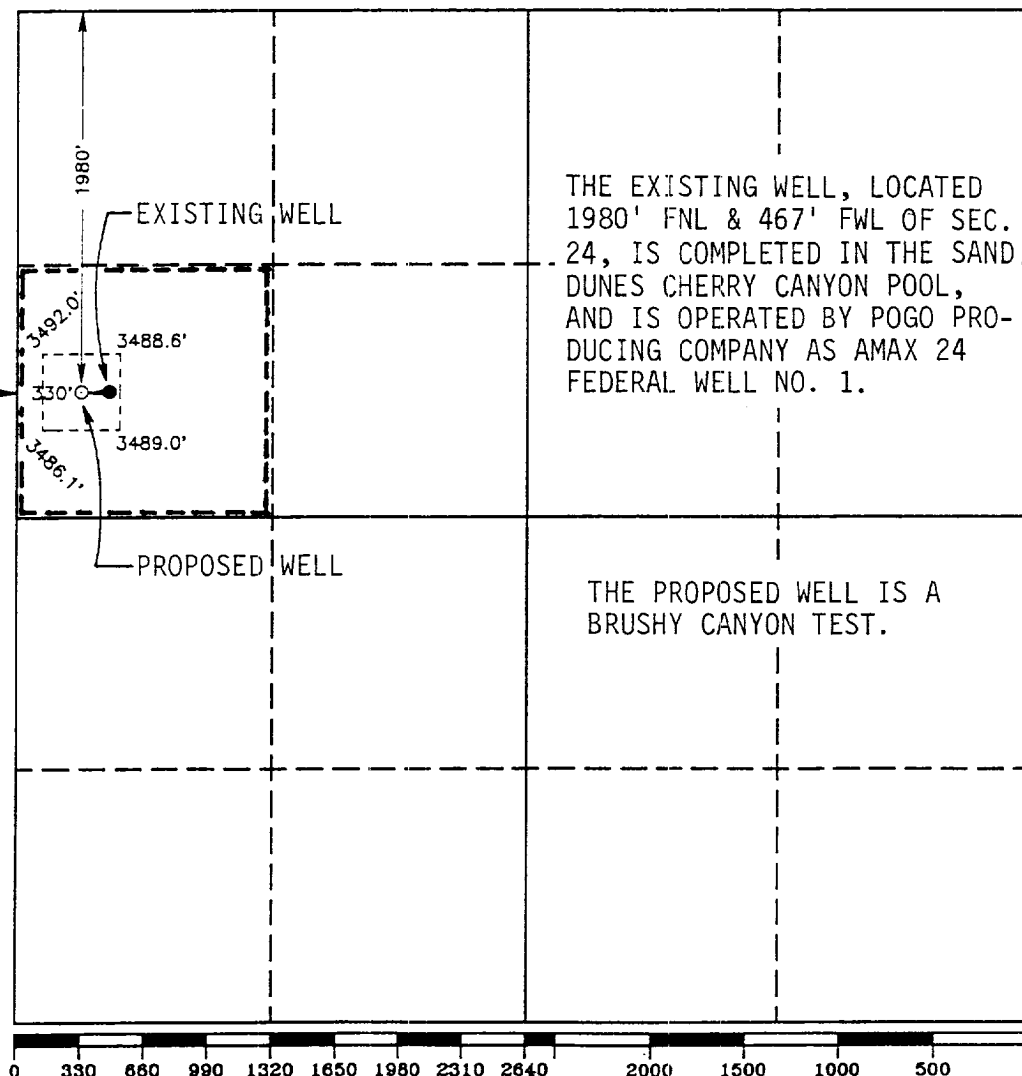
All Distances must be from the outer boundaries of the section

Operator POGO PRODUCING COMPANY			Lease AMAX 24 FEDERAL		Well No. 7
Unit Letter E	Section 24	Township 23 SOUTH	Range 31 EAST NMPM	County EDDY	
Actual Footage Location of Well: 1980 feet from the NORTH line and 330 feet from the WEST line					
Ground Level Elev. 3490.0'	Producing Formation DELAWARE (BRUSHY CANYON)	Pool UNDES.SAND DUNES BRUSHY CANYON		Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☐ Yes ☐ No If answer is "yes" type of consolidation _____

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Richard L. Wright
Printed Name
Richard L. Wright
Position
Division Operations Supr.
Company
POGO PRODUCING COMPANY
Date
August 14, 1992

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 supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
JULY 15, 1992

Signature & Seal of
Professional Surveyor

Signature
GARY L. JONES
Professional Surveyor
7977
Certificate No.
JOHN W. WEST, 878
RONALD J. EIDSON, 3239
GARY L. JONES, 7977
92-1-1-0883

SUPPLEMENTAL DRILLING DATA

POGO PRODUCING COMPANY

AMAX 24 FEDERAL WELL NO. 7

1. SURFACE FORMATION: Quaternary.

2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Rustler Anhydrite	750'
Base Salt	4200'
Delaware Lime	4440'
Bell Canyon	4480'
Cherry Canyon	5300'
Brushy Canyon	6650'

3. ANTICIPATED POSSIBLE HYDROCARBON BEARING ZONES:

Delaware	Oil
----------	-----

4. PROPOSED CASING AND CEMENTING PROGRAM:

13-3/8" 54.5# K-55 ST&C casing is to be set at approximately 800 feet in 17-1/2" hole. Casing to be cemented with 500 sacks of Light cement tailed in with 200 sacks of Class "C" with 2% CaCl. Cement to circulate.

8-5/8" 24#, 28#, and 32# J-55 and S-80 ST&C casing is to be set at approximately 4300 feet in 11" hole. Casing is to be cemented with 1200 sacks of Light cement tailed in with 200 sacks of Class "C" with 1% CaCl. Cement to circulate.

5-1/2" 15.5# and 17# K-55 and N-80 LTC casing is to be set at 8500 feet in 7-7/8" hole. Casing is to be cemented with 900 sacks of Class H cement. Cement to tie-back.

5. PRESSURE CONTROL EQUIPMENT:

Blowout prevention equipment, while drilling the 11" hole, will be either a 3000 psi working pressure double ram type preventer or a 3000 psi working pressure annular type preventer.

Blow out prevention equipment, while drilling below the 8-5/8" casing seat, will be a 3000 psi working pressure BOP stack. A BOP sketch is attached.

6. CIRCULATING MEDIUM:

Surface to 800 feet: Fresh water spud mud. Viscosity 30 to 36 as required for hole cleaning.

800 feet to 4300 feet: Brine conditioned as necessary for control of viscosity. Weight 9.8 to 10. pH 9 to 10. Viscosity 32 to 36.

4300 feet to T.D.: Water base drilling fluid conditioned as necessary for control of weight, viscosity, pH and water-loss. Weight 9 to 10. Viscosity 38-45. pH 9 to 10. Filtrate while drilling pay zone 6 to 15.

7. AUXILIARY EQUIPMENT:

A mud logging trailer will be in use while drilling below the intermediate casing.

8. TESTING, LOGGING, AND CORING PROGRAMS:

Drill stem tests will be made when well data indicate a test is warranted.

It is planned that electric logs will include GR-CNL-Density logs and GR-DLL logs.

No coring is planned.

9. ABNORMAL PRESSURES, TEMPERATURES, OR HYDROGEN SULFIDE GAS:

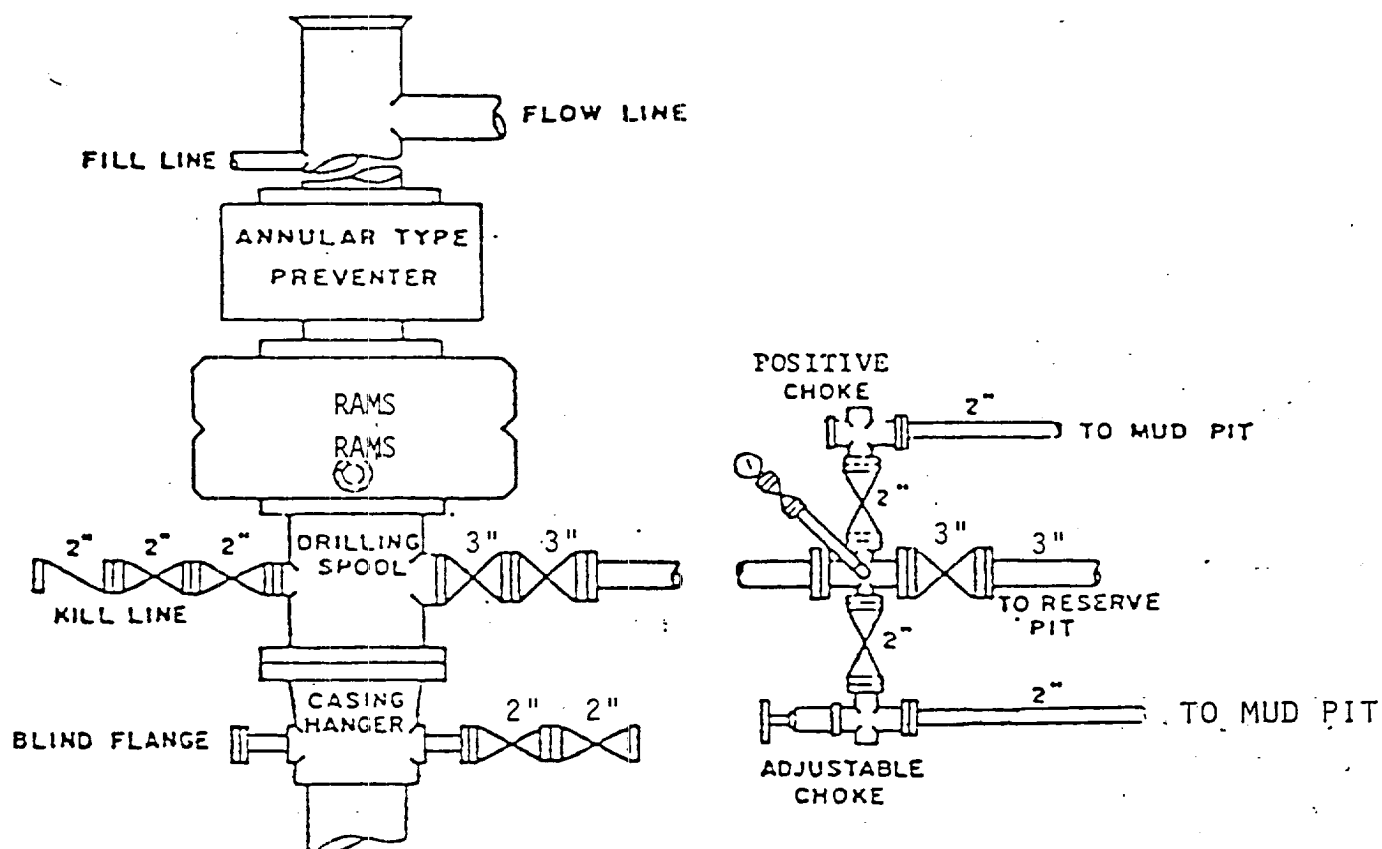
None anticipated.

Expected bottom hole pressure is about 3700 psi.

Expected bottom hole temperature is about 130 degrees Fahr.

10. ANTICIPATED STARTING DATE:

It is planned that operations will commence upon approval of this application, with drilling and completion operations lasting about 45 days.



BOP STACK

3000 PSI WORKING PRESSURE

BOP ARRANGEMENT

SURFACE USE AND OPERATIONS PLAN

FOR

POGO PRODUCING COMPANY
AMAX 24 FEDERAL WELL NO. 7
1980' FNL & 330' FWL SEC. 24, T. 23 S., R. 31 E.
EDDY COUNTY, NEW MEXICO

LOCATED: 21 miles east of Loving, New Mexico.

FEDERAL LEASE NUMBER: NM-40655.

LEASE DATE: July 1, 1980.

ACRES IN LEASE: 320.

LESSEE: Pogo et al.

SURFACE OWNERSHIP: Federal.

GRAZING PERMITTEE: J. C. Mills
P. O. Box 190
Abernathy, Texas 79311

POOL: Undesignated Sand Dunes Brushy Canyon.

POOL RULES: Statewide Rules. 40 acre spacing for oil.

EXHIBITS: A. Road Map
B. Plat Showing Existing Wells and Existing Roads
C. Drilling Rig Layout
D. Topo Plat

1. EXISTING ROADS:

A. Exhibit "A" is a portion of a road map showing the location of the proposed well as staked. Point "A" on the plat is on State highway 128 at Milepost 17.6, approximately 36 miles west of Jal, New Mexico, where Eddy County road 798 goes north. To go to the proposed well site from this point, go north on 798 2.7 miles, and the well location will be on the east side of the road at a distance of about 500 feet. Also see Exhibits "B" and "D".

The well site can also be reached by going south off US 62-180 at Milepost 66.8, approximately 38 miles west of Hobbs, New Mexico, on Lea County road C-29. To go to the proposed well site from this point, go south 18.9 miles on Lea County C-29 and Eddy County 798 to where a caliche road goes east to a pumping well (this point is 0.6 mile north of gas pipeline surface equipment located adjacent on the east to Eddy 798). The proposed well site is about 500 feet east of this point.

B. Exhibit "B" shows existing pertinent roads in the vicinity of the proposed well site. Existing roads are color coded.

2. PLANNED ACCESS ROAD:

A. No new road will be needed for access. Existing roads providing access to the pumping well just east of the proposed well site will be utilized for access to this proposed well. The access road is shown on Exhibit "B" and in more detail on Exhibit "C-1".

3. LOCATION OF EXISTING WELLS:

A. Existing wells in the immediate area are shown on Exhibit "B".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A. Production from this well will be delivered to the lease tank battery planned for construction on the well pad at the proposed well No. 8 as indicated on Exhibit "B". The flow line will be 3" SDR-7 polyethylene pipe laid on the ground alongside existing and proposed roads, and will extend from the well to the proposed tank battery as shown on Exhibit "B". The anticipated flow line pressure is estimated to be about 60 psi.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. It is not planned that a water well will be drilled. Water necessary for drilling operations will be purchased and trucked to the well site, or will be moved to the well site by temporary pipeline laid on the ground alongside existing and proposed roads.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. Caliche needed for construction work will be taken, if present, from a pit opened on-site within the archaeologically cleared work area. Otherwise, caliche will be taken from an existing pit on Federal land in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 1, T.23 S., R.31 E., Eddy County, New Mexico, and will be trucked to the well site over existing and proposed roads.

7. METHODS OF HANDLING WASTE MATERIAL:

A. Drill cuttings will be disposed of in the drilling pits.

B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.

C. Water produced during tests will be disposed of in the drilling pits or will be stored in tanks for disposal in an approved disposal system.

D. Oil produced during tests will be stored in test tanks until sold.

E. All trash, junk, and other waste material will be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary land fill.

8. ANCILLARY FACILITIES:

A. None necessary.

9. WELL SITE LAYOUT:

A. Exhibit "C" shows the relative location and dimensions of the well pad, mud pits, and reserve pit, and the location of major drilling rig components.

B. Clearing and levelling of the pad and pit area will be required.

C. Inasmuch as this proposed well is near to Pogo Producing Company's Amax 24 Federal well No. 1, a well producing from the upper Delaware, the drilling rig for the proposed well will be oriented to V-door southeast as indicated on Exhibit "C-1".

10. PLANS FOR RESTORATION OF THE SURFACE:

A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed from the well site. Pits will be filled and the location will be cleaned of all trash and junk to leave the well site in an as aesthetically pleasing condition as possible.

B. Any unguarded pits containing fluids will be fenced.

C. After abandonment, all equipment, trash, and junk will be removed and the well site will be cleaned. Any special rehabilitation requirements of the surface management agency will be complied with and accomplished as rapidly as possible.

11. OTHER INFORMATION:

A. Topography: The land surface in the general area is gently undulating and dunny. In the immediate area of the well site the land surface slopes gently to the south. Regionally, drainage is to the west and southwest.

B. Soil: Top soil at the well site is sand.

C. Flora and Fauna: The vegetative cover is moderate and includes mesquite, shinnery oak, sand sage, yucca, weeds, and range grasses. Wildlife in the area is that typical of semi-desert land and includes coyotes, rabbits, rodents, reptiles, dove and quail.

D. Ponds and Streams: There are no rivers, lakes, ponds, or streams in the area.

E. Residences and Other Structures: There are no occupied dwellings or other structures within a mile of the proposed well site.

F. Archaeological, Historical, and Cultural Sites: None observed. However, an archaeological reconnaissance is to be accomplished and a report furnished.

G. Land Use: Grazing and wildlife habitat.

H. Surface Ownership: Federal.

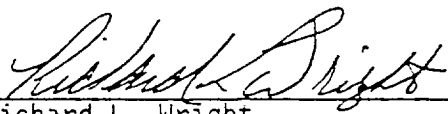
12. OPERATOR's REPRESENTATIVE:

Richard L. Wright
Division Operations Supervisor
Pogo Producing Company
P. O. Box 10340
Midland, Texas 79702
Office Phone: 915-682-6822

13. CERTIFICATION:

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 and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

August 13, 1992
Date:



Richard L. Wright
Division Operations Supervisor

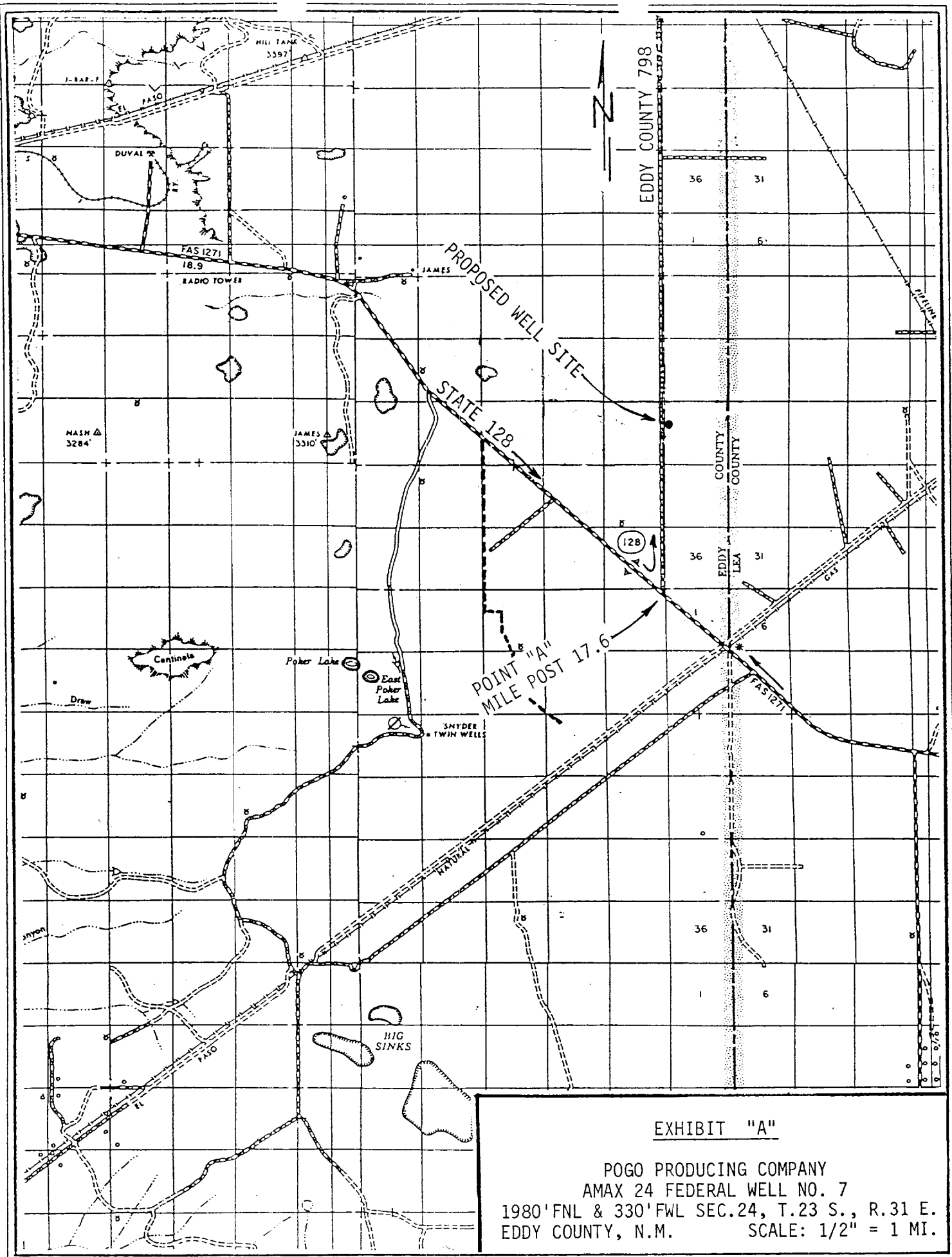
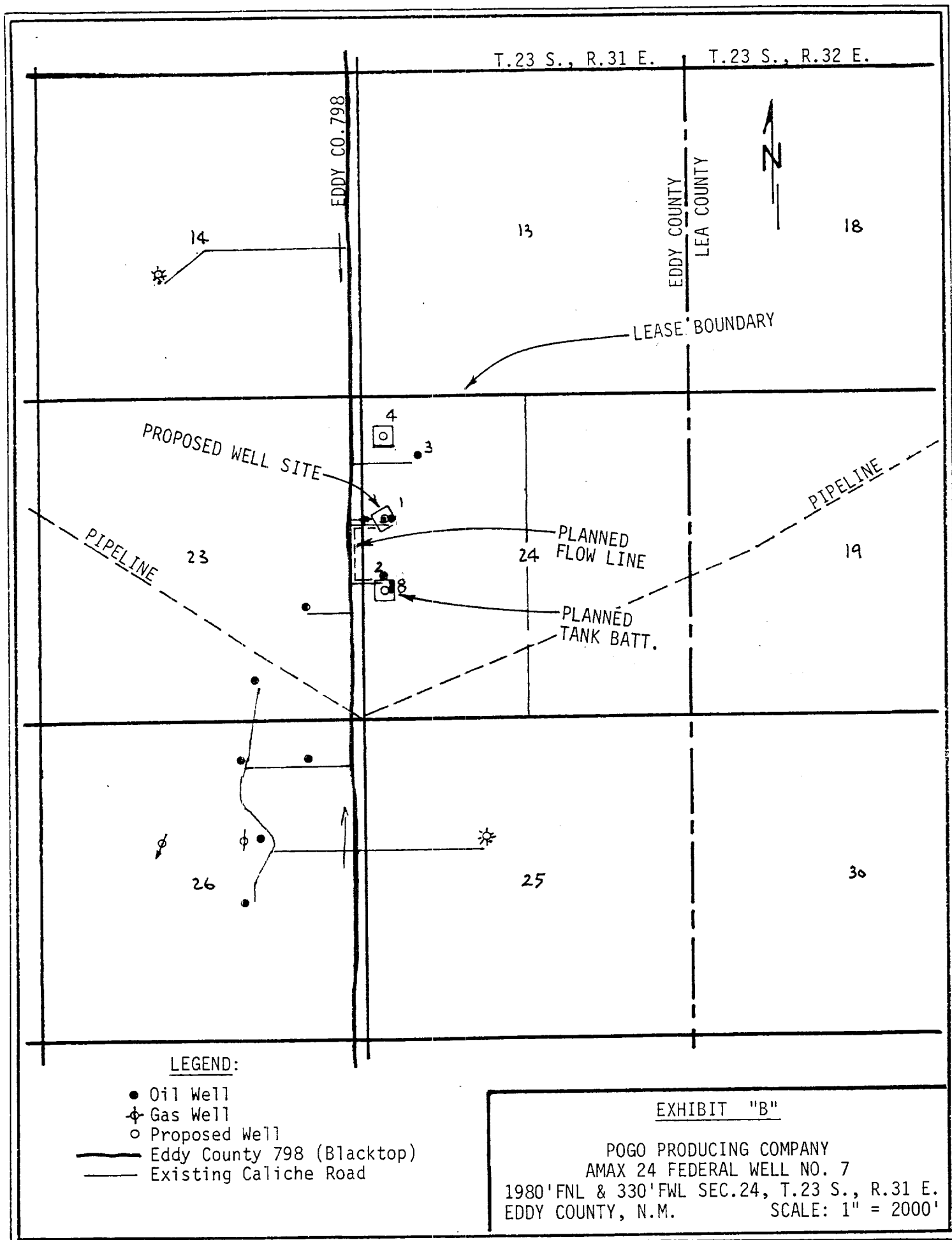


EXHIBIT "A"

POGO PRODUCING COMPANY
AMAX 24 FEDERAL WELL NO. 7
1980' FNL & 330' FWL SEC. 24, T. 23 S., R. 31 E.
EDDY COUNTY, N.M. SCALE: 1/2" = 1 MI.



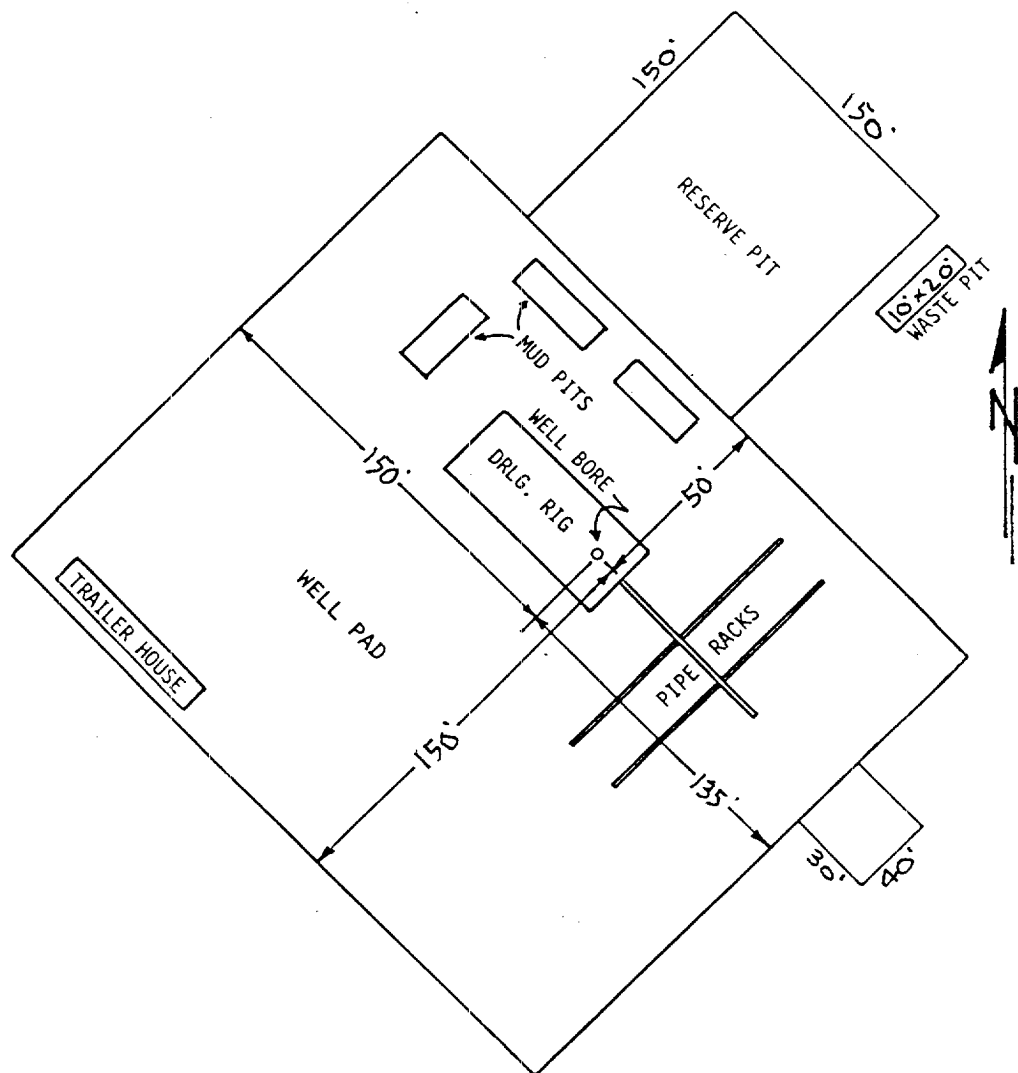


EXHIBIT "C"

POGO PRODUCING COMPANY
AMAX 24 FEDERAL WELL NO. 7

DRILLING RIG LAYOUT
SCALE: None

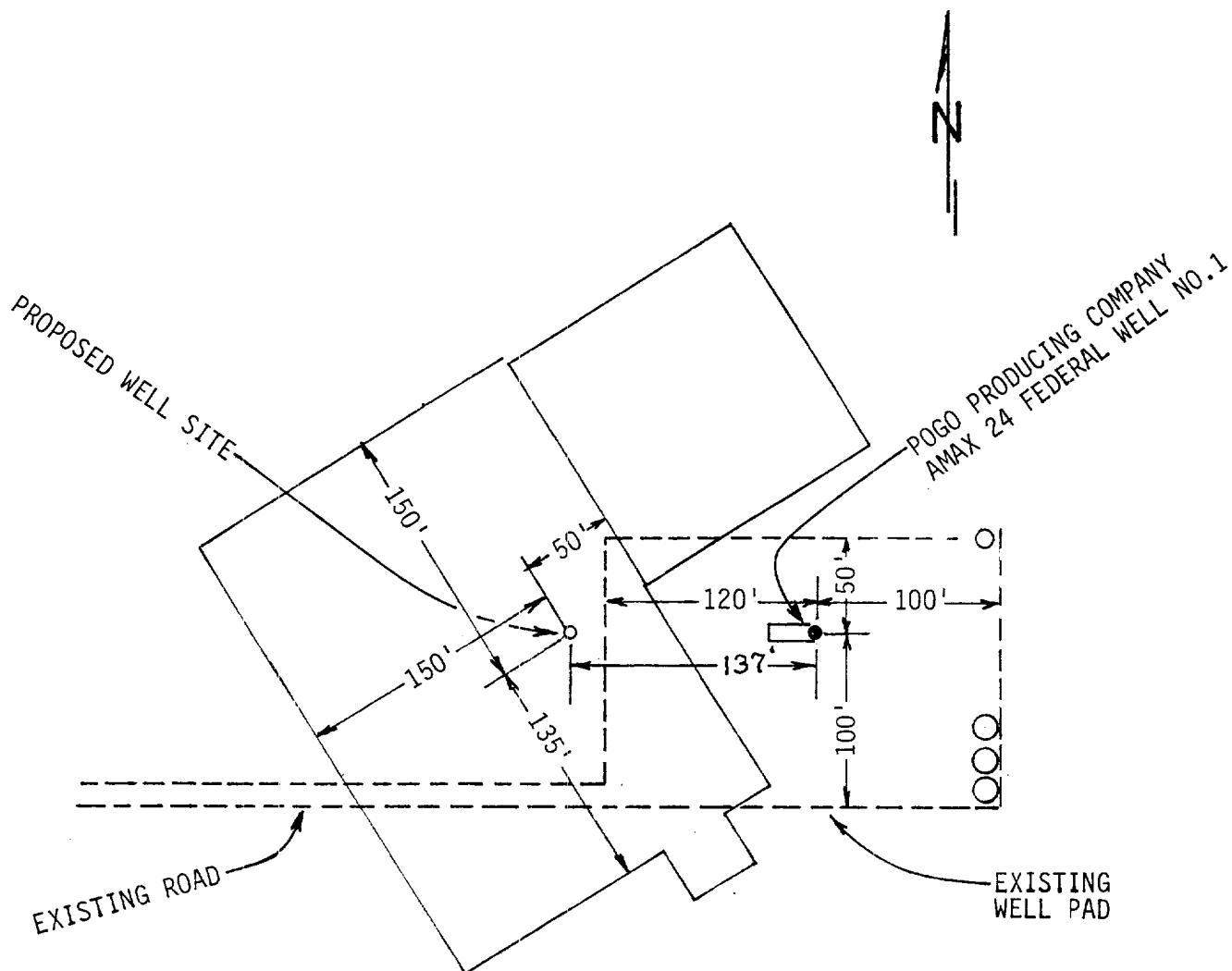


EXHIBIT "C-1"

POGO PRODUCING COMPANY
AMAX 24 FEDERAL WELL NO. 7

DRILLING RIG LAYOUT
Scale: 1" = 100' (approx.)

