

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN DUPLICATE.
(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

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

3. ADDRESS AND TELEPHONE NO.

P.O. Box 10340, Midland, Texas 79702

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

At surface 330' FNL & 2310' FWL of Section 10

At proposed prod. zone

Same

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

20 miles east of Loving, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

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

330'

16. NO. OF ACRES IN LEASE

640

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.

1650'

19. PROPOSED DEPTH

8750'

20. ROTARY OR CABLE TOOLS

Rotary

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

3465" Ground Level

22. APPROX. DATE WORK WILL START*
Upon Approval

23. SECRETARY'S POTASH R-TYPE POTASH AND CEMENT CARLSBAD CONTROLLED WATER BASIN				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8" J-55	54.5#	600'	Class "C" (Circulated)
11"	8-5/8" J-55	24, 32#	4100'	1200 sx. (Circulated)
7-7/8"	5-1/2" J-55, N-80	17#, 15.50#	8750'	1200 sx. (est. 4100')

The Operator proposes to drill to a depth sufficient to test the Delaware and Bone Springs for oil. Specific programs are outlined in the following attachments:

DRILLING PROGRAMSURFACE USE AND OPERATING PLANEXHIBIT "A" - ROAD MAPEXHIBIT "B" - EXISTING WELL MAPEXHIBIT "C" - LOCATION AND DEDICATION PLATEXHIBIT "C-1" - TOPO MAPEXHIBIT "D" - DRILLING RIG LAYOUTEXHIBIT "E" - 3M BOP EQUIPMENTAPPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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

24.

SIGNED James M. C. Roney TITLE Agent DATE 1/29/98

(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:

APPROVED BY Richard A. Whitley TITLE For STATE DIRECTOR DATE APR 17 1998

See Instructions On Reverse Side

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.

DISTRICT I
P.O. Box 1580, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

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

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

OIL CONSERVATION DIVISION

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name SUNDANCE 10 FED.	Well Number 2
OGRID No.	Operator Name POGO PRODUCING CO.	Elevation 3465'

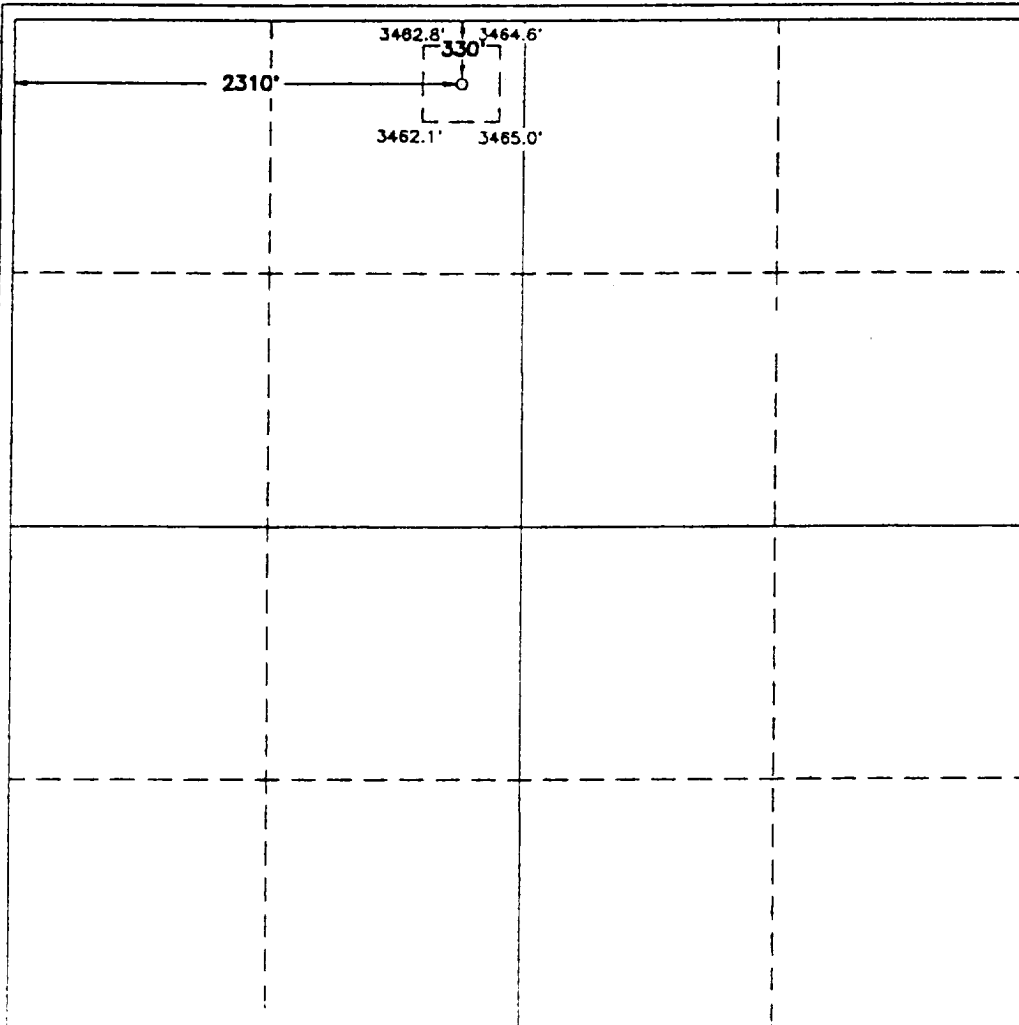
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	10	24 S	31 E		330	NORTH	2310	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 40	Joint or Infill	Consolidation Code	Order No.						

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



OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <u>James M.C. Ritchie Jr.</u> Printed Name: <u>James M.C. Ritchie Jr.</u> Title: <u>Agent</u> Date: <u>7/25/94</u>
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 belief. Date Surveyed: <u>JULY 7, 1994</u> Signature & Seal of Professional Surveyor: <u>[Signature]</u> W.O. Num. <u>84-11-1141</u> Certificate No. <u>JOHN W. WEST, 676</u> <u>RONALD J. EIDSON, 3239</u> <u>GARY L. JONES, 7877</u>

SUPPLEMENTAL DRILLING DATA

POGO PRODUCING COMPANY
Sundance Federal "10" Well No. 2

1. SURFACE FORMATION: Quaternary.

2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Rustler Anhydrite	600'
Delaware	4150'
Cherry Canyon	5050'
Brushy Canyon	6350'

3. ANTICIPATED POSSIBLE HYDROCARBON BEARING ZONE:

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

4. PROPOSED CASING AND CEMENTING PROGRAM:

<u>CASING SIZE</u>	<u>SETTING DEPTH</u>		<u>WEIGHT</u>	<u>GRADE</u>	<u>JOINT</u>
	<u>FROM</u>	<u>TO</u>			
13 3/8"	0	600'	54.5#	J-55	STC
8 5/8"	0	1000'	32#	J-55	STC
"	1000'	2200'	24#	J-55	STC
"	2200'	4100'	32#	J-55	STC
5 1/2"	0	1000'	17#	J-55	LTC
"	1000'	6000'	15.5#	J-55	LTC
"	6000'	8500'	17#	N-80	LTC

MINIMUM DESIGN FACTORS: Collapse 1.125 Burst 1.1 Tension 1.7

13 3/8" casing is to be set at approximately 600' in 17-1/2" hole. Casing to be cemented with 350 sacks of Light cement tailed in with 200 sacks of Class "C", 2% CaCl. Cement to circulate.

8 5/8" casing is to be set at approximately 4100' in 11" hole. Casing is to be cemented with 1000 sacks of Light cement tailed in with 200 sacks of Class "C", 1% CaCl. Cement to circulate.

5 1/2" casing is to be set at 8500' in 7 7/8" hole. Casing is to be cemented with 300 sx of Light cement followed by 900 sacks of Class "H" cement. Cement to tie back to 8 5/8" casing.

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.

Blowout 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:

<u>Surface to 600 feet:</u>	Fresh water spud mud. Viscosity 30 to 36 as required for hole cleaning.
<u>600 feet to 4100 feet:</u>	Brine conditioned as necessary for control of viscosity. Weight 9.8 to 10. PH -9 to 10. Viscosity 32 to 36.
<u>4100 feet to T.D.:</u>	Water based drilling fluid conditioned as necessary for control of weight, viscosity, ph and water-loss. Weight 9 to 10. Viscosity 38 - 45. ph 9-10. Filtrate while drilling pay zone 6-15.

7. AUXILIARY EQUIPMENT:

A mudlogging trailer will be used while drilling below 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:

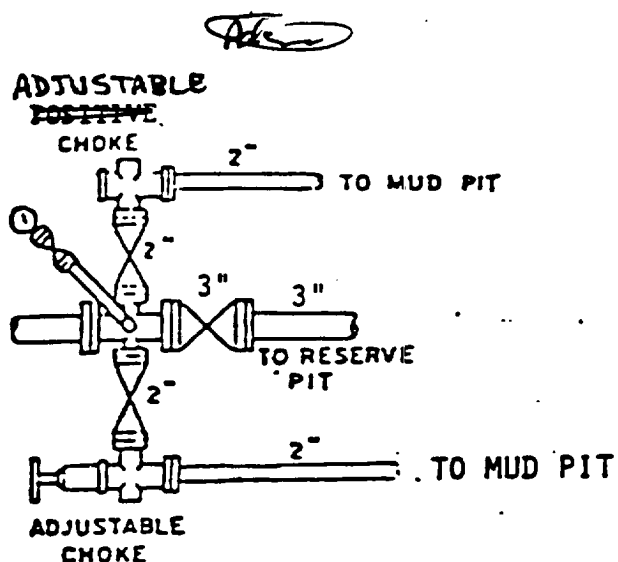
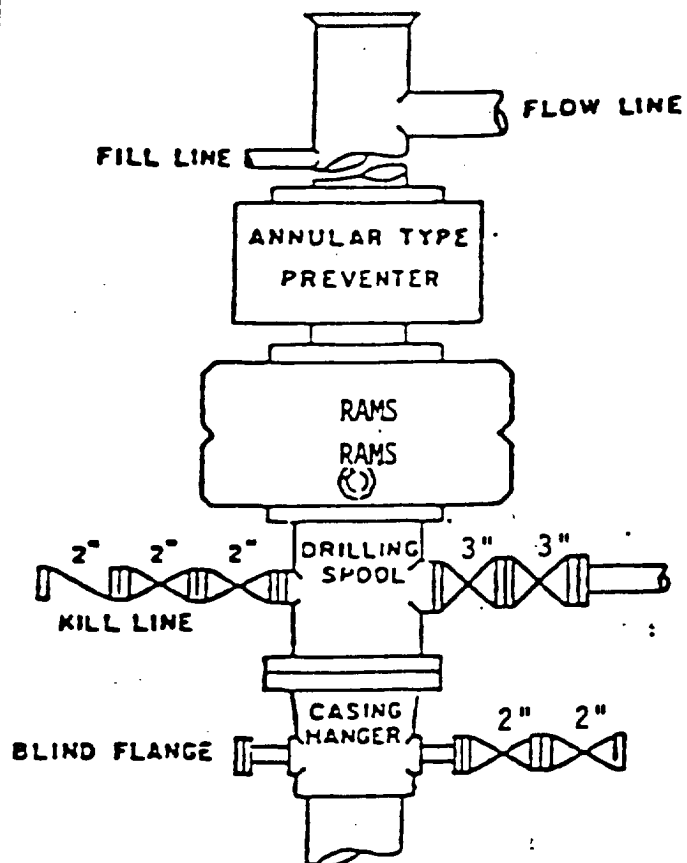
None anticipated.

Expected bottom hole pressure is approximately 3500 psi.

Expected bottom hole temperature is approximately 125 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
SUNDANCE "10" FEDERAL WELL No. 2
330' FNL & 2310' FWL of Section 10, T-24S, R-31E
EDDY COUNTY, NEW MEXICO

LOCATED: 20 miles east of Loving, New Mexico.

FEDERAL LEASE NUMBER: NM-70895

LEASE DATE: July 1, 1985

ACRES IN LEASE: 40

RECORD LESSEE: Pogo Producing Company

SURFACE OWNERSHIP: Federal.

GRAZING PERMITTEE: J.R. Engineering
P.O. Box 12237
Odessa, Texas 79768

POOL: Wildcat (Delaware)

POOL RULES: Statewide. 40 acres 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. The proposed location can be reached by going east on Highway 128 from Highway 31 approximately 16.8 miles to cattleguard on south side of road. Take caliche road south approximately 1.7 miles. Turn west and go approximately 2600'. Location is 990' south from this point. See Exhibit "D" for more detailed view of road and location.

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

2. PLANNED ACCESS ROADS:

A. Length and Width: The access road will be 12' wide and approximately 990' long. See Exhibit "B".

B. Surfacing Material: Caliche. Compacted and watered.

C. Maximum Grade: Approximately one percent.

D. Turnouts: Not needed.

E. Drainage Design: The access road is crowned so that the water runs off to the sides.

F. Culverts: None needed.

G. Cuts and Fills: None necessary.

H. Gates and Cattle Guards: There will be no need for cattleguards or gates.

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 a lease tank battery located on the pad of well # 1. Flowlines from this well will be 3" SDR-11 laid on top of the ground and will follow the access road. See Exhibit "B".

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 a temporary pipeline laid on the ground alongside existing and proposed roads.

11. OTHER INFORMATION:

A. Topography: The land surface in the area is undulating and dury. In the immediate area of the well site, land slope is to the northwest.

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

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

D. Ponds and Streams: There are no ponds, lakes 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: An archeological 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
(915) 682-6822

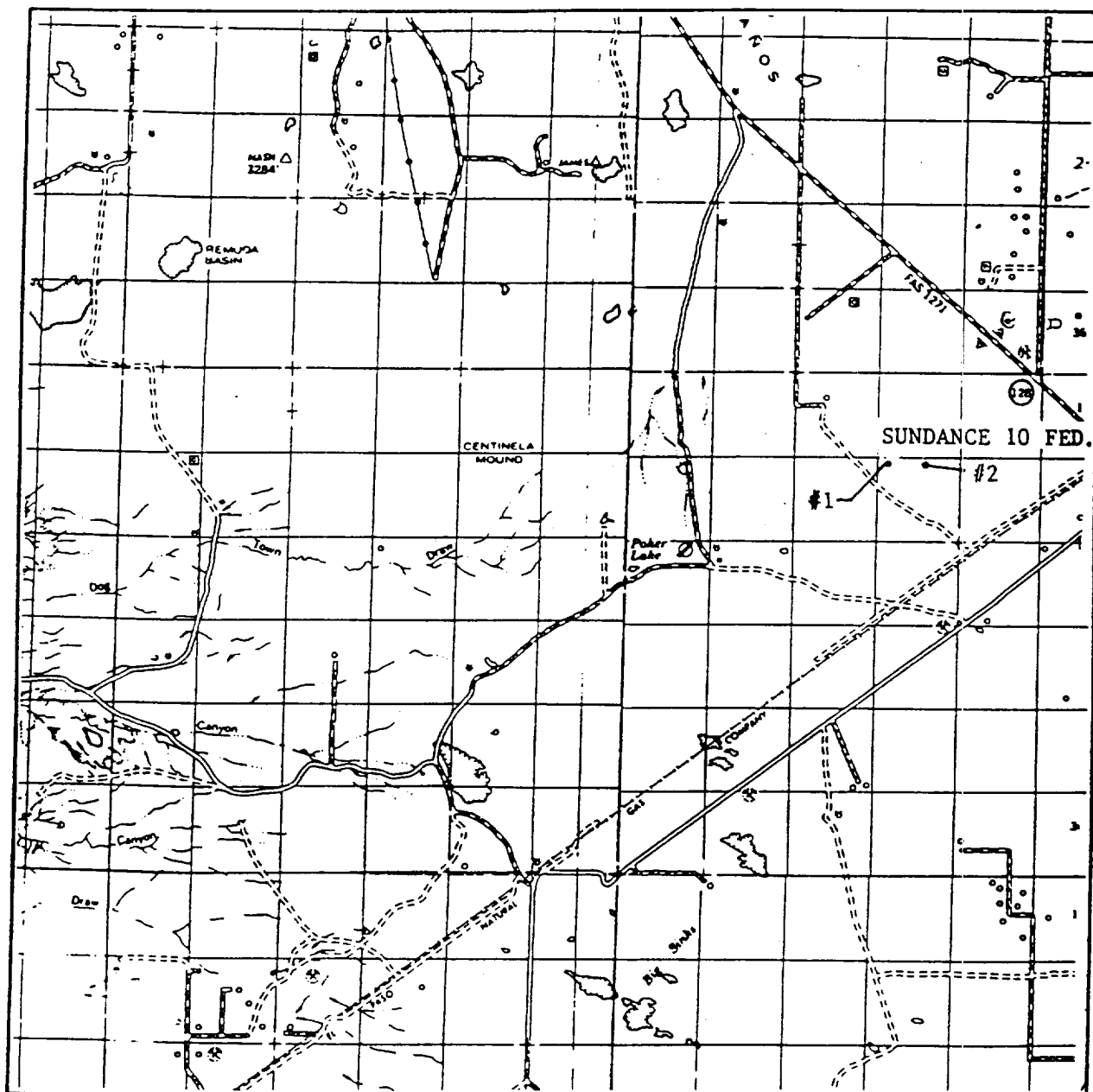
13. CERTIFICATION:

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 19 U.S.C. 1001 for the filing of a false statement.

Date: 7/25/94

James M.C. Ritchie, Jr.
Agent

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 10 TWP. 24 S RGE. 31 E

SURVEY N.M.P.M.

COUNTY EDDY STATE N.M.

DESCRIPTION 330' FNL & 660' FWL
330' FNL & 2310' FWL

ELEVATION 3448'
3465'

OPERATOR POGO PRODUCING CO.

LEASE SUNDANCE 10 FED.

Exhibit "A"

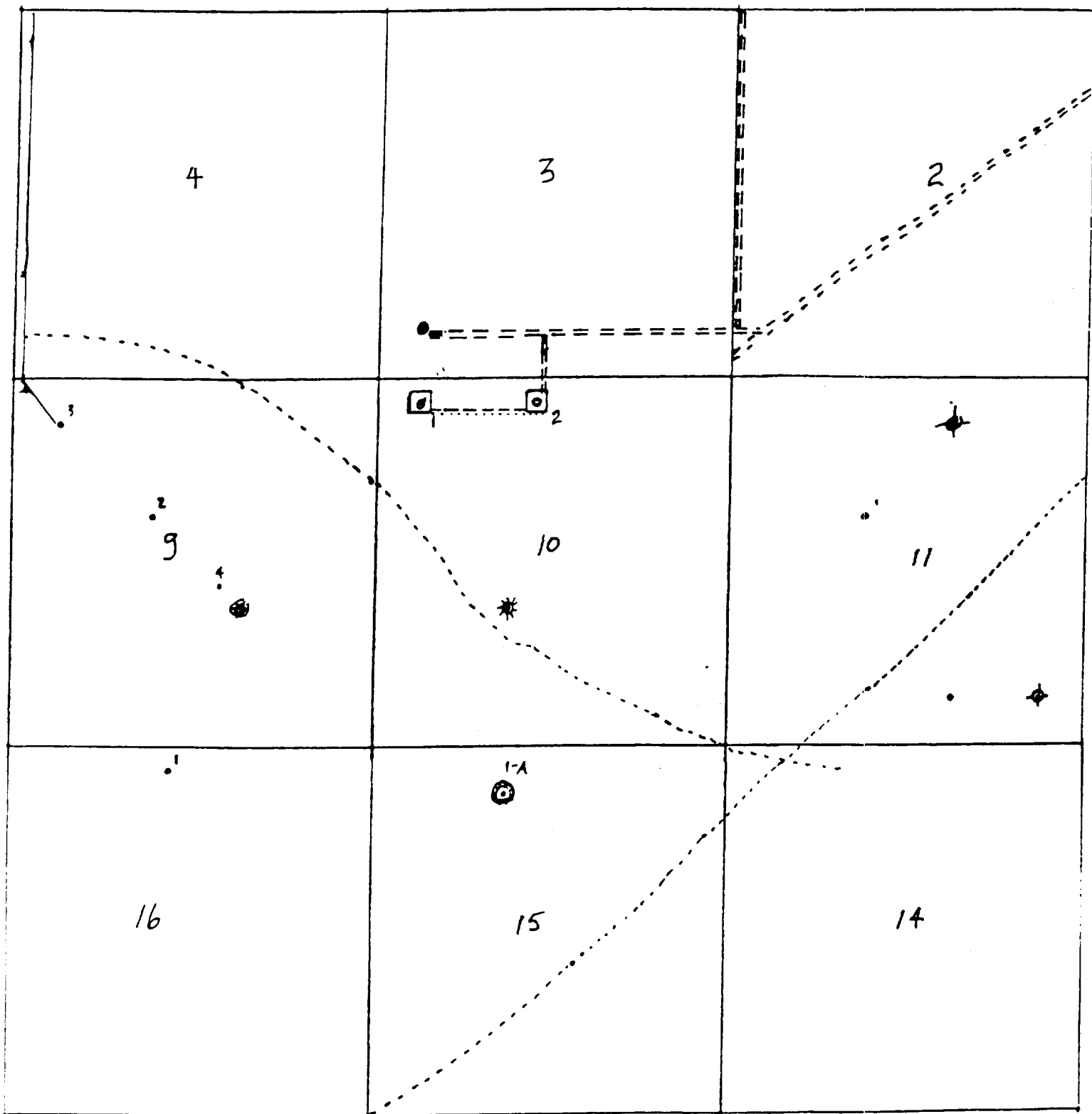


Exhibit "B"

Pogo Producing Company
SUNDANCE "10" Federal

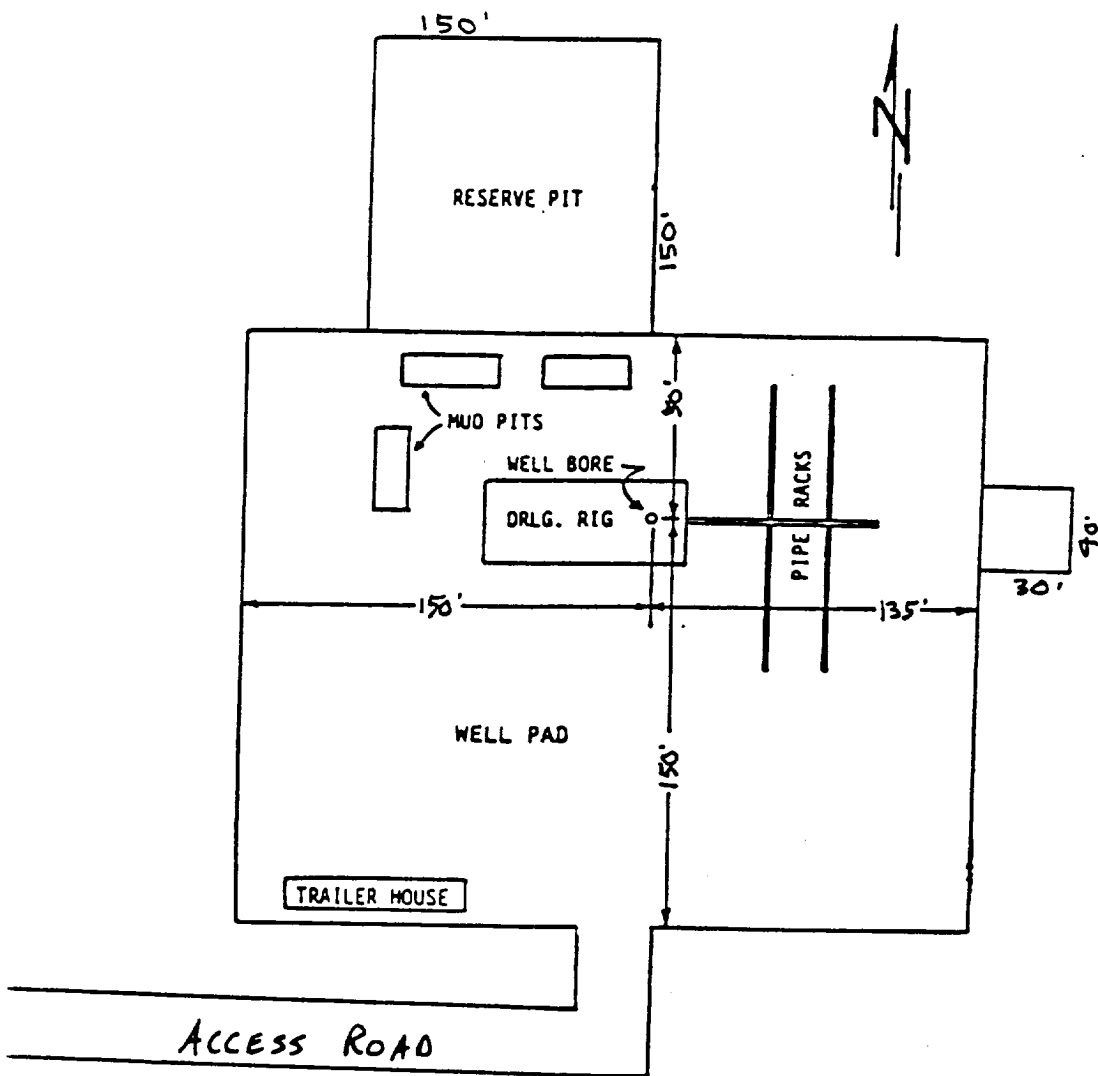


EXHIBIT "C"

Pogo Producing Company
 SUNDANCE "10" Federal # 2
 330' FWL & 2310' FWL of Section 10, T-24S, R-31E
 Eddy Co. N.M.

DRILLING RIG LAYOUT

SCALE: None