STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

March 25, 1993

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

Pogo Producing Company c/o Hinkle, Cox, Eaton, Coffield & Hensley P.O. Box 2068 Santa Fe, NM 87504-2068

Attention: James Bruce

Amended Administrative Order NSL-3152

Dear Mr. Bruce:

Reference is made to your application dated January 22, 1993 on behalf of the operator, Pogo Producing Company (Pogo), to include the Atoka gas producing formation in the provisions of Division Administrative Order NSL-3152, dated September 9, 1992. Said order authorized the Pogo Producing Company Red Tank "34" Federal Well No. 1 to be drilled at an unorthodox gas well location 660 feet from the North line and 1650 feet from the East line (Unit B) of Section 34, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico, on a standard 320-acre gas spacing and proration unit comprising the N/2 of said Section 34 for a wildcat Morrow test.

Subsequent to the issuance of said order, this well was drilled through the Morrow formation to a total depth of 15,300 feet, where the Morrow zone evidently tested dry. It is our understanding that Pogo completed this well as a gas well in the Atoka formation through perforations from 13,969 feet to 13,974 in January, 1993.

By the authority granted me under the provisions of Division General Rule 104.F(1), said order NSL-3152 is hereby amended to include the Atoka formation.

All other provisions of said Order NSL-3152 shall remain in full force and effect until further notice.

Sincerely,

William J. LeMay

Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs

US Bureau of Land Management - Carlsbad