

**HINKLE, COX, EATON, COFFIELD & HENSLEY,  
L.L.P.**

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JAMES H. WOOD  
NANCY L. STRATTON  
TIMOTHY R. BROWN  
JAMES C. MARTIN

\*NOT LICENSED IN NEW MEXICO

NOV 27 1996

November 27, 1996

**Hand Delivered**

Florene Davidson  
New Mexico Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing are an original and two copies of an administrative application for an unorthodox well location, filed on behalf of Pogo Producing Company.

Very truly yours,

HINKLE, COX, EATON, COFFIELD  
& HENSLEY, L.L.P.

James Bruce

Attorneys for Pogo Producing  
Company

11/27/96

12/17/96

MS

KV

NSL

ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

## ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

## Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]  
 [DD-Directional Drilling] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

## [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☒ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☒ Does Not Apply[A] ☐ Working, Royalty or Overriding Royalty Interest Owners[B] ☐ Offset Operators, Leaseholders or Surface Owner[C] ☐ Application is One Which Requires Published Legal Notice[D] ☐ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,[F] ☐ Waivers are Attached

## [3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

JAMES BRUCE  
 218 MONTEZUMA  
 SANTA FE, NM 87501

Print or Type Name

Signature

Title

Date

11/27/96

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JEFFREY S. BAIRD\*

November 27, 1996

**Hand Delivered**

Michael E. Stogner  
New Mexico Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F(2), Pogo Producing Company hereby applies for administrative approval of an unorthodox gas well location for the following well:

Canyon 23 I Fed. Com. Well No. 1  
1750 feet FSL & 660 feet FEL  
S½ §23, Township 24 South, Range 29 East, NMPM  
Eddy County, New Mexico

The well will be drilled to test the Atoka formation, and then deepened into the Morrow formation at an approximate depth of 14,200 feet. Pogo requests unorthodox location approval for all formations or pools spaced on 320 acres.

The proposed location is based upon geological reasons. Attached as Exhibit A is a gross sand isopach of the Atoka sand (Undesignated Owen Mesa-Atoka Gas Pool), which shows a narrow north-south trending channel sand. Unless the well is drilled at the unorthodox location, it will not encounter at least five feet of gross sand in the Atoka, which Pogo believes is necessary for a commercial well. Regional dip is to the east, and the western edge of the sand body is more likely to be updip and productive than its eastern edge.

The Morrow formation has wildcat potential in this area. The nearest Morrow pool is the Owen Mesa-Morrow Gas Pool, located approximately 1½ miles to the south of the proposed well.

Submitted as Exhibit B is a land plat, highlighting in yellow Pogo-operated acreage in Sections 23 and 24. The well units affected by this application (the N½ of Section 23 and the W½ of

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MIDLAND, TEXAS 79702  
(915) 683-4691  
FAX (915) 683-6518

POST OFFICE BOX 9238  
AMARILLO, TEXAS 79105  
(806) 372-5569  
FAX (806) 372-9761

POST OFFICE BOX 2043  
ALBUQUERQUE, NEW MEXICO 87103  
(505) 768-1500  
FAX (505) 768-1529

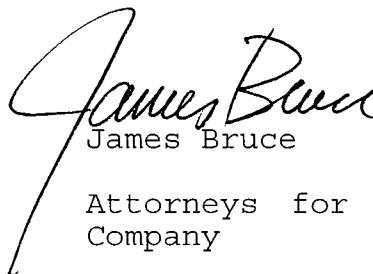
401 W. 15TH STREET, SUITE 800  
AUSTIN, TEXAS 78701  
(512) 476-7137  
FAX (512) 476-5431

Section 24) are operated by Pogo, and thus there are no offset operators to notify of this application.

This application is submitted in triplicate. Please call me if you need anything further regarding this matter.

Very truly yours,

HINKLE, COX, EATON, COFFIELD  
& HENSLEY, L.L.P.



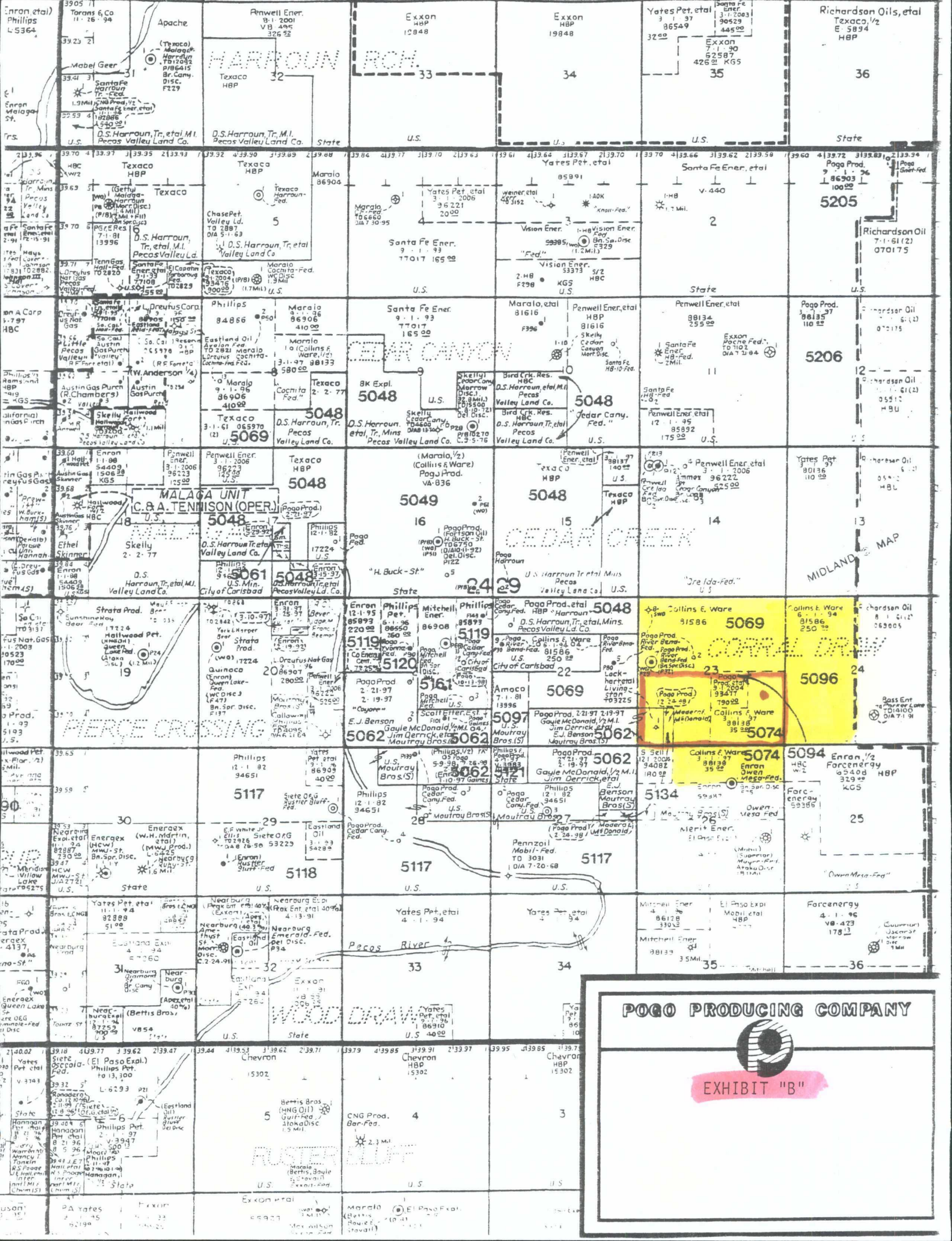
James Bruce

Attorneys for Pogo Producing  
Company

cc: Terry Gant

aap.ugl





POGO PRODUCING COMPANY



EXHIBIT "B"



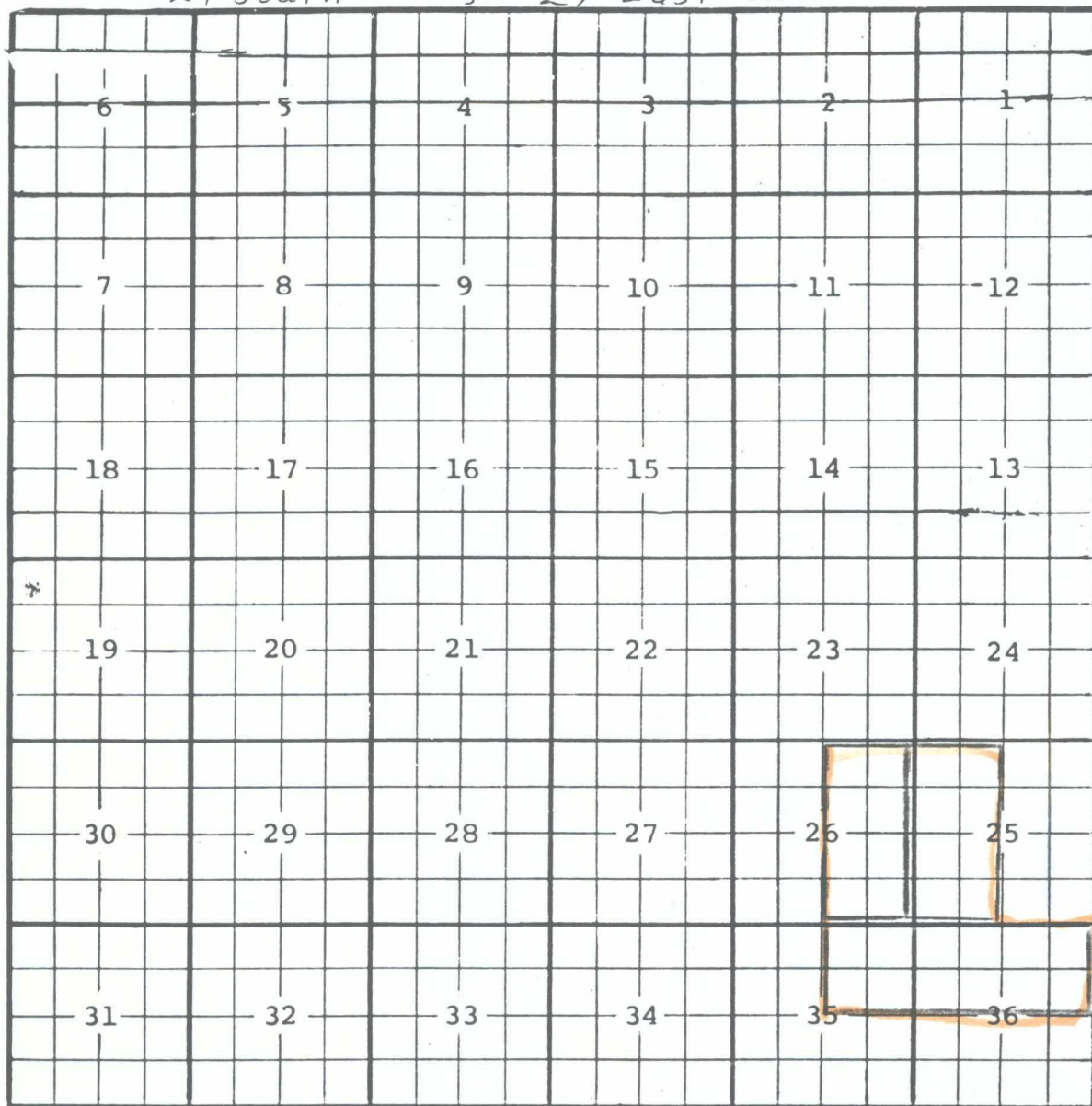
County Eddy Pool Owen Mesa-Morrow GasTOWNSHIP 24 South Range 29 East NMPM

|    |    |    |    |    |    |
|----|----|----|----|----|----|
| 6  | 5  | 4  | 3  | 2  | 1  |
| 7  | 8  | 9  | 10 | 11 | 12 |
| 18 | 17 | 16 | 15 | 14 | 13 |
| 19 | 20 | 21 | 22 | 23 | 24 |
| 30 | 29 | 28 | 27 | 26 | 25 |
| 31 | 32 | 33 | 34 | 35 | 36 |

Description:  $\frac{N}{2}$  Sec 36 (R-2372, 10-20-83)Ext:  $\frac{N}{2}$  Sec 35 (R-10124, 5-31-94)

County Eddy Pool Owen Mesa-AtoKa Gas

TOWNSHIP 24 South Range 29 East NMPM



Description: E/2 Sec. 26 (R-7437, 2-6-84)

Ext: W/2 Sec. 25 (R-8317, 10-9-86) EXT: NE/4 Sec 35, N/2 SEC 36  
(R-8892, 3-20-89)

Sec : 23 Twp : 24S Rng : 29E Section Type : NORMAL

|                                      |                                      |                                 |                                 |
|--------------------------------------|--------------------------------------|---------------------------------|---------------------------------|
| D<br>40.00<br><br>Federal owned<br>A | C<br>40.00<br><br>Federal owned      | B<br>40.00<br><br>Federal owned | A<br>40.00<br><br>Federal owned |
| E<br>40.00<br><br>Federal owned<br>A | F<br>40.00<br><br>Federal owned<br>C | G<br>40.00<br><br>Federal owned | H<br>40.00<br><br>Federal owned |

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|-----------|----------|------------|-----------|------|------|
| PF01 HELP | PF02     | PF03 EXIT  | PF04 GoTo | PF05 | PF06 |
| PF07 BKWD | PF08 FWD | PF09 PRINT | PF10 SDIV | PF11 | PF12 |



CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

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OGOMES -EMFH  
PAGE NO: 2

Sec : 23 Twp : 24S Rng : 29E Section Type : NORMAL

|                                 |                                 |                                 |                                 |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| L<br>40.00<br><br>Federal owned | K<br>40.00<br><br>Federal owned | J<br>40.00<br><br>Federal owned | I<br>40.00<br><br>Federal owned |
| M<br>40.00<br><br>Fee owned     | N<br>40.00<br><br>Federal owned | O<br>40.00<br><br>Federal owned | P<br>40.00<br><br>Federal owned |

PF01 HELP  
PF07 BKWD

PF02  
PF08 FWD

PF03 EXIT  
PF09 PRINT

PF04 GoTo  
PF10 SDIV

PF05  
PF11

PF06  
PF12

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

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OGOMES -EMFH  
PAGE NO: 1

Sec : 24 Twp : 24S Rng : 29E Section Type : NORMAL

|                                 |                                 |                                      |                                      |
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| D<br>40.00<br><br>Federal owned | C<br>40.00<br><br>Federal owned | B<br>40.00<br><br>Federal owned<br>U | A<br>40.00<br><br>Federal owned<br>U |
| E<br>40.00<br><br>Federal owned | F<br>40.00<br><br>Federal owned | G<br>40.00<br><br>Federal owned<br>U | H<br>40.00<br><br>Federal owned<br>U |

PF01 HELP  
PF07 BKWD

PF02  
PF08 FWD

PF03 EXIT  
PF09 PRINT

PF04 GoTo  
PF10 SDIV

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PF11

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CMD .:  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

12/26/96 14:25:12  
OGOMES -EMFH  
PAGE NO: 2

Sec : 24 Twp : 24S Rng : 29E Section Type : NORMAL

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|---------------------------------|---------------------------------|--------------------------------------|--------------------------------------|
| L<br>40.00<br><br>Federal owned | K<br>40.00<br><br>Federal owned | J<br>40.00<br><br>Federal owned<br>U | I<br>40.00<br><br>Federal owned<br>U |
| M<br>40.00<br><br>Federal owned | N<br>40.00<br><br>Federal owned | O<br>40.00<br><br>Federal owned<br>U | P<br>40.00<br><br>Federal owned<br>U |

PF01 HELP  
PF07 BKWD

PF02  
PF08 FWD

PF03 EXIT  
PF09 PRINT

PF04 GoTo  
PF10 SDIV

PF05  
PF11

PF06  
PF12