

DATE IN 1/9/02	1/29/02	ENGINEER MS	LOGGED IN RW	TYPE NSL	APP NO. 201445470
----------------	---------	-------------	--------------	----------	-------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication
 ☒ NSL ☐ NSP ☐ 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
 [D] ☐ Other: Specify _____

JAN - 9 2002

- [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] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James Bruce

Print or Type Name

Signature

Attorney for Applicant

Title

Date

JAMES BRUCE
 P.O. BOX 1056
 SANTA FE, NM 87504

jamesbruce@aol.com

e-mail Address

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

324 MCKENZIE STREET
SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

January 5, 2002

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

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

Well: Lost Tank "3" Fed. Well No. 7
Location: 760 feet FNL & 1390 feet FEL
Unit: NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 3, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

The well will be drilled to test the Delaware formation (West Lost Tank-Delaware Pool), which is developed on statewide rules. An APD and a Form C-102 are attached as Exhibits A and B.

The application is based on geologic reasons. The pool produces from several Delaware sands, with two of the most prolific being the Lower Brushy BC-4 Sand and the Middle Brushy "F" Sand. Attached as Exhibits C and D are isopachs of those sands. The proposed location optimizes the opportunity to encounter a thick Middle Brushy "F" Sand while also providing the opportunity to encounter a thick Lower Brushy BC-4 Sand interval.

As shown on Exhibit E, Federal Lease NM 0417696 covers all of Section 3, among other acreage. Royalty, overriding royalty, and working interest ownership are common throughout Section 3. Thus, the well does not adversely affect anyone, and notice has not been given to any offset interest owner.

Please call me if you need any further information on this matter.

Very truly yours,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in dark ink and is positioned above the printed name.

James Bruce

Attorney for Pogo Producing Company

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
RECEIVED

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-0417696	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME -----	
2. NAME OF OPERATOR POGO PRODUCING COMPANY (RICHARD WRIGHT 915-685-8140)		7. UNIT AGREEMENT NAME -----	
3. ADDRESS AND TELEPHONE NO. P.O. BOX 10340 MIDLAND, TEXAS 79702-7340 (915-695-8100)		8. FARM OR LEASE NAME, WELL NO. LOST TANK "3" FEDERAL # 7	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 760' FNL & 1390' FEL SEC. 3 T22S-R31E EDDY CO. NM At proposed prod. zone SAME		9. API WELL NO. -----	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE Approximately 30 miles East of Carlsbad New Mexico		10. FIELD AND POOL, OR WILDCAT LOST TANK DELAWARE-WEST	
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1400' ±		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC. 3 T22S-R31E	
16. NO. OF ACRES IN LEASE 1280		12. COUNTY OR PARISH EDDY CO.	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE NEW MEXICO	
18. PROPOSED DEPTH 8500'		20. ROTARY OR CABLE TOOLS ROTARY	
21. ELEVATIONS (Show whether DF, ET, GR, etc.) 3496' GR.		22. APPROX. DATE WORK WILL START WHEN APPROVED -----	

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor	NA	40'	Cement to surface with Redi-mix.
17½"	H-40 13 3/8"	48	825'	800 Sx. circulate to surface
11"	J-55 8 5/8"	32	4200'	1500 Sx. circulate to surface
7 7/8"	J-55 5½"	17 & 15.5	8500'	1650 Sx cement in 3 stages circulate

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17½" hole to 825'. Run and set 825' of 13 3/8" 48# H-40 ST&C casing. Cement with 800 Sx. of Class "C" cement + 2% CaCl, + ¼# Floccels/Sx. Circulate cement to surface.
3. Drill 11" hole to 4200'. Run and set 4200' of 8 5/8" 32# J-55 ST&C casing. Cement with 1500 Sx. of Class "C" cement + 2% CaCl, = ¼# Floccels/Sx. circulate cement to surface.
4. Drill 7 7/8" hole to 8500'. Run and set 5½" casing as follows: 2500' of 5½" 17# J-55 LT&C, 5000' of 5½" 15.5# J-55 LT&C, 1000' of 17# J-55 LT&C casing. Cement in 3 stages with DV tools at 6100' & 3700' ±. 1st stage cement with 650 Sx. of Class "H" + additives, 2nd stage cement with 600 Sx. of Class "C" + additives, 3rd stage cement with 400 Sx. of Class "C" + additives, circulate cement to surface as per R-111-P.

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 open directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Joe T. Janica TITLE Agent DATE 09/25/01

(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 the land. It would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

P.O. Box 1280, Hobbs, NM 88241-1280

P.O. Drawer DD, Artesia, NM 88211-0718

1000 Rio Brazos Rd., Artes, NM 87410

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 96582	Pool Name LOST TANK DELAWARE-WEST
Property Code 20943	Property Name LOST TANK 3 FED	Well Number 7
OGRID No. 17891	Operator Name POGO PRODUCING COMPANY	Elevation 3496'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	3	22-S	31-E		760	NORTH	1390	EAST	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

LOT 4	LOT 3	LOT 2	LOT 1
<div style="position: absolute; top: 20px; left: 20px;">39.65 AC</div>	<div style="position: absolute; top: 20px; left: 20px;">39.78 AC</div>	<div style="position: absolute; top: 20px; left: 20px;"> <div style="border: 2px solid black; width: 150px; height: 100px; margin: 0 auto; position: relative;"> <div style="position: absolute; top: 0; left: 50%; transform: translateX(-50%);">3494.9'</div> <div style="position: absolute; top: 0; right: 50%; transform: translateX(50%);">3498.7'</div> <div style="position: absolute; bottom: 0; left: 50%; transform: translateX(-50%);">3496.0'</div> <div style="position: absolute; bottom: 0; right: 50%; transform: translateX(50%);">3497.9'</div> <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%);"> <div style="border: 1px solid black; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center;"> <div style="width: 0; height: 0; border-left: 5px solid transparent; border-right: 5px solid transparent; border-bottom: 8px solid black; margin-right: 5px;"></div> <div style="font-size: 8px;">O</div> </div> </div> </div> </div> <div style="position: absolute; top: 60px; left: 50%; transform: translateX(-50%);">750'</div> <div style="position: absolute; top: 150px; left: 60%;">1390' →</div> <div style="position: absolute; top: 20px; left: 20px;">39.92 AC</div>	<div style="position: absolute; top: 20px; left: 20px;">40.05 AC</div>

EXHIBIT
D

52008

OPERATOR CERTIFICATION

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

Joe T. Janica

Signature

Joe T. Janica

Printed Name

Agent

Title

Date

09/25/01

Date

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

AWB

Signature & Seal of Professional Surveyor.

Date

01.11.1015

Certificate No.

3239

12641

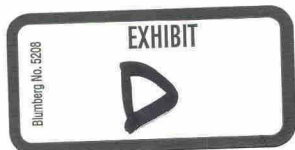
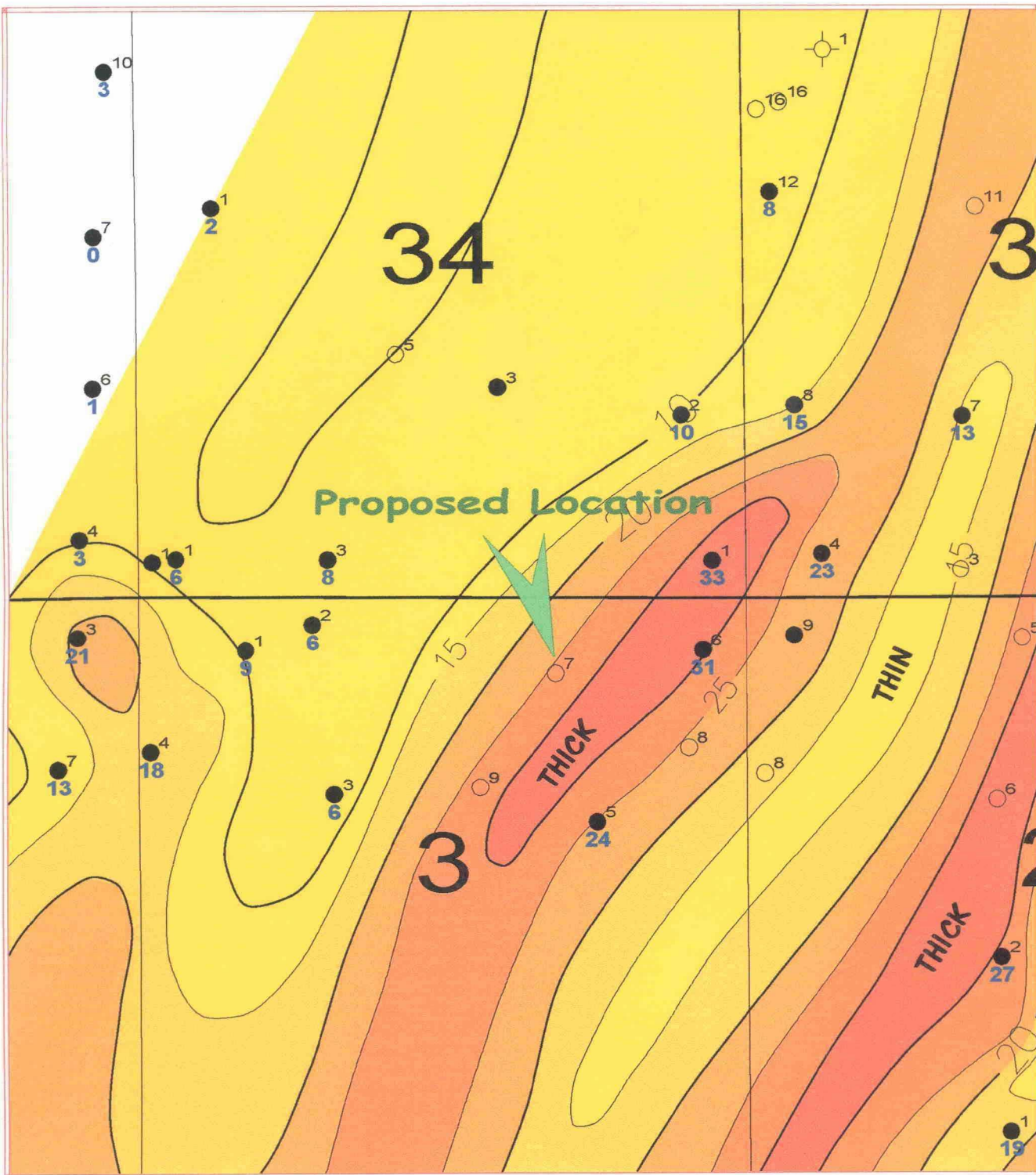
Number No. 5208

EXHIBIT

7



10/11/01



POGO PRODUCING COMPANY

Lost Tank West Delaware

Isopach Map

Brushy "F" Sand Net Sand (14% Porosity Cutoff)

Eddy County, New Mexico

WEH		tl_ocr3.gpf
12/11/01		

County Eddy Pool West Lost Tank - Delaware

TOWNSHIP 22 South Range 31 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: NW 1/4 Sec. 4 (R-10787, 4-9-97)

Ext: NW 1/4 Sec. 3, NE 1/4 Sec. 4 (R-10951, 2-4-98) Ext: NE 1/4 Sec. 3 (R-11384, 5-25-00)

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

01/15/02 07:28:
OGOMES -TP
PAGE NO:

Sec : 03 Twp : 22S Rng : 31E Section Type : NORMAL

4 39.65 Federal owned R A	3 39.78 Federal owned R A	2 39.92 Federal owned R	1 40.05 Federal owned R
E 40.00 Federal owned R A	F 40.00 Federal owned R A	G 40.00 Federal owned R	H 40.00 Federal owned R A

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

01/15/02 07:29:
OGOMES -TP
PAGE NO:

Sec : 03 Twp : 22S Rng : 31E Section Type : NORMAL

L 40.00 Federal owned R	K 40.00 Federal owned R	J 40.00 Federal owned R	I 40.00 Federal owned R
M 40.00 Federal owned R	N 40.00 Federal owned R	O 40.00 Federal owned R	P 40.00 Federal owned R

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