Form 3160-5 (April 2004)

1. Type of Well X Oil Well

2. Name of Operator

Notice of Intent

X Subsequent Report

3a. Address

N.M. Oil Cons. DIV-Dist. 2 1301 W. Grand Avenue **UNITED STATES** DEPARTMENT OF THE INTERIORS IS, NIM 88210. BUREAU OF LAND MANAGEMENT 5. Lease Serial No. NM-57273 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE- Other instructions on reverses iden Gas Well Other 8. Well Name and No. Palladium 7 Federal #6 OCU-APITEBIA Pogo Producing Company 9. API Well No. 30-015-33890 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory Area P.O. Box 10340, Midland, TX 79702 432-685-8100 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sand Dunes Delaware South 11. County or Parish, State 660' FSL & 660' FEL, Section 7, T24S, R31E Eddy County, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT. OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Production (Start/Resume) Water Shut-Off Acidize Deepen Alter Casing Well Integrity Fracture Treat Reclamation Other Spud Casing Repair New Construction Recomplete Change Plans Temporarily Abandon Plug and Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Spud & Set Surface Csg - MIRU Capstar #9. Spud well @ 23:30 hrs 10/29/05. Drld 17-1/2" hole to 995'. TD reached @ 03:30 hrs 10/31/05. Ran 23 jts 13-3/8" 48#, H-40, ST&C csg. Cmt'd w/ 750 sks CI C 65:35 POZ @ 12.8 ppg followed by 200 sks Cl "C" + 2% CaCl2 @ 14.8 ppg. Circ 190 sks to surface. Plug down @ 15:00 hrs 10/31/05. WOC 23 hrs. Make cut-off. Weld on WH. NU BOP's & test to 1000# ok.

ACCEPTED FOR RECORD NOV 1 8 2005 ALEXIS C. SWOBODA PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)	1		
Cathy Wright	Title	Sr. Eng.Tech	
Signature Calky/Whit	Date	11/15/05	
OTHIS SPACE FOR FEDERAL OR STATE OFFICE USE			
Approved by		Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warra certify that the applicant holds legal or equitable title to those rights in the subject lewhich would entitle the applicant to conduct operations thereon.		Office	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United			