Oil Cons. Form 3160-3 N.M. DIVIENS IN SRIPLICATE. (July*1992) UNITED STATESO1 W. Grand Avenue OMB NO. 1004-0136 DEPARTMENT OF THE INTERSIGRAM 88210 Expires: February 28, 1995 5. LEASE DESIGNATION AND SERIAL NO. BUREAU OF LAND MANAGEMENT APPLICATION FOR PERMIT TO DRILL OR DEEPEN NM=57273 6. IF INDIAN, ALLOTTEE OR TRIBE NAME 1a. TYPE OF WORK DRILL X 123456>89 DEEPEN T b. TIPE OF WELL T. UNIT AGREEMENT NAME WELL X M.EFF GY3 MULTIPLE 2. NAME OF OPERATOR 5003 POGO PRODUCING COMPANY ALLADIUM "7" FEDERAL # 5 (RICHARD WRIGHT 915-685-814AD 3. ADDRESS AND TELEPHONE NO. 30-015-32816 (915-6850 BLOOR ESTA P.O. BOX 10340 MIDLAND, TEXAS 79702-7340 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) 10. FIELD AND POOL, OR WILDCAT 1980' FNL & 2310' FWL SECTION 7 SAND DUNES DELAWARE SOUTH T24S-R31E 11. BEC., T., R., M., OR BLK. AND SURVEY OR AREA At proposed prod. zone EDDA COSMWISOSOF SAME 14. DINTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* SECTION 7 T24S-R31E 12. COUNTY OR PARISH | 13. STATE Approximately 15 miles East Southeast of Carlsbad 15. BISTANCE FROM PROPUSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig, unit line, if any, 1980' 640 EDDY CO. NEW MEXICO 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED TO THIS WELL 18. DISTANCE FROM PROPOSED LOCATION 640 TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 40 19. PROPOSED DEPTH 20. ROTART OR CABLE TOULS 1320' 85001 21. ELEVATIONS (Show whether DF, RT, GR, etc.) ROTARY Carlebad Controlled Water Back WHEN APPROVED 22. APPROX. DATE WORK WILL START* 3494' 23. PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE GRADE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH 25" Conductor 20" QUANTITY OF CEMENT NA 407 Cement to surface with Redi-mix 175" H - 4013 3/8" 48 975 11" 1050 Sx. circulate to surface J-55 8 5/8" 32 4150 1200 Sx 7 7/8" J-55 51/3" 17 & 15.5 8500' 1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix. 1750 Sx. 3 stages TOC surface 2. Drill $17\frac{1}{2}$ " hole to 975'. Run and set 975' of 13 3/8" 48# H-40 ST&C casing. Cement with 800 Sx. of 65/35/6 Class "C" POZ-GEL, tail in with 250 Sx of Class "C" cement + 2% CaCl, + $\frac{1}{2}$ # Flocele/Sx. , circulate cement to surface. 3. Drill 11" hole to 4150'. Run and set 4150' of 8 5/8" 32# J-55 ST&C casing. Cement with 1000 Sx. of 65/35/6 Class "C" POZ-GEL+ 5% Salt, tail in with 200 Sx. of Class "C" cement + 2% CaCl, circulate cement to isurface. 4. Drill 7 7/8" hole to 8500'. Run and set $5\frac{1}{2}$ " casing as follows: 2500' of $5\frac{1}{2}$ " $17\frac{1}{2}$ J-55 LT&C, 5000' of 5½" 15.5# J-55 LT&C, 1000' of 5½" 17# J-55 LT&C casing. Cement in 3 stages with DV Tools at 8500' & 3700'±. Cement 1st stage with 650 Sx. of Class "H" cement + additives, 2nd stage cement with 600 Sx. of Class "C" cement + 8# of Gilsonite/Sx., 3rd stage cement with 400 Sx. of 65/35/6 Class "C" POZ-GEL, tqil in with 100 Sx. of Class "C" + 1% CaCl, circulate cement to surface. 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 doll or deepen directionally, give pertinent data on substitutions and measured and true vertical depths. Give blowout preventer program, if any, SIGNED 03/22/03 (This space for Federal or State office use) APPROVAL SUBJECT TO PERMIT NO. General requirements and Application approval does not warrant or excitly that the applicant holds legal or equitable title to those rights in the subject that the applicant to SPECIAL STIPULATIONS ACTING /s/ Richard A. Whitley STATE DIRECTOR MAY 2 3 2003 APPROVED BY APPROVAL FOR 1 *See Instructions On Reverse Side Fitle 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 Juited States any false, fictitious or fraudulent statements or representations as to any matter within its

DISTRICT | P.O. Box 1960, Hobbs, NM 88241-1880

State of New Mexico

Energy, Minerals and Natural Resources Department.

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Legge at A Conference

DISTRICT II P.O. Drawer DD, Artonia, NM 88211-0719

OIL CONSERVATION DIVISION P.O. Box 2088

State Lease - 4 Copies
Fee Lease - 3 Copies

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

Santa Fe, New Mexico 87504-2088

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name		
	53818	SAND DUNES DELAWARE SOUT	СН	
Property Code	PALLADI	Well Number 5		
OGRID No. 17891		perator Name PUCING COMPANY	Elevation 3494'	

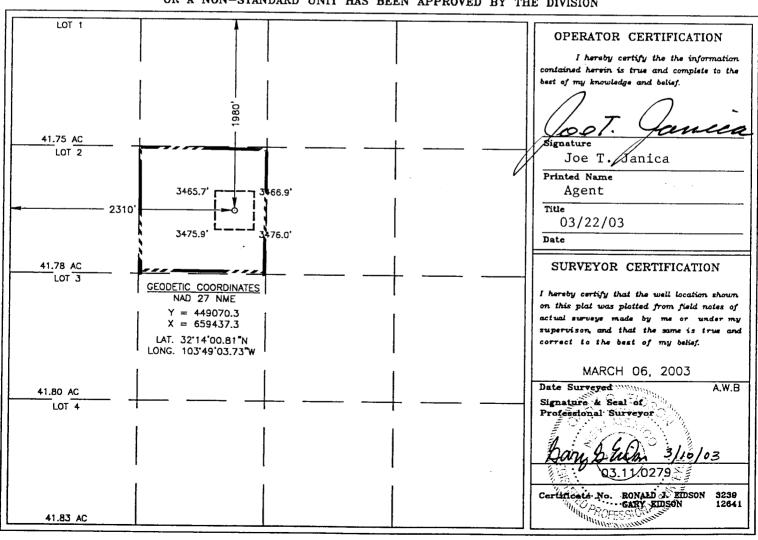
Surface Location

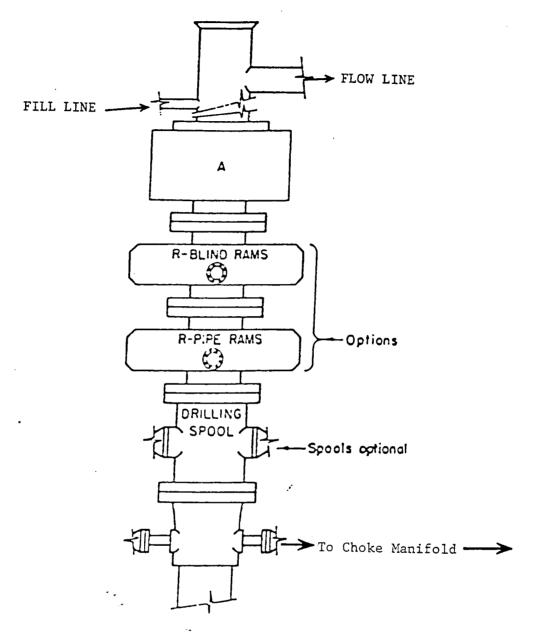
UL or lot No. Se	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	7	24-S	31-E		1980'	NORTH	2310'	WEST	EDDY

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	Joint o	r Infill Co	nsolidation (Code Or	der No.	<u> </u>	<u> </u>		
ł										

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





ARRANGEMENT SRRA

900 Series 3000 PSI WP

EXHIBIT "E"
SKETCH OF B.O.P. TO BE USED ON

POGO PRODUCING COMPANY
PALLADIUM "7" FEDERAL # 5
UNIT "F" SECTION 7
T24S-R31E EDDY CO. NM



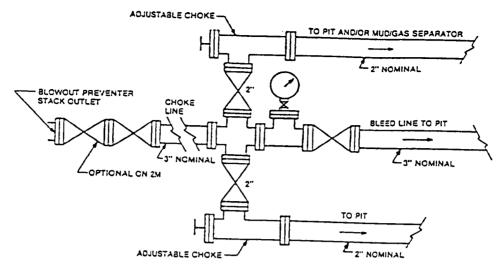


FIGURE K4-1. Typical choke manifold assembly for 2M and 3M rated working pressure service — surface installation.

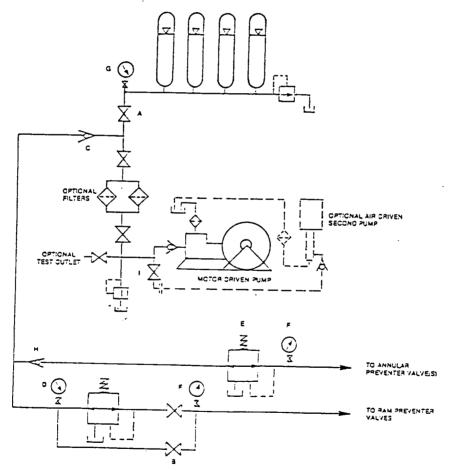


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

POGO PRODUCING COMPANY
PALLADIUM "7" FEDERAL # 5
UNIT "F" SECTION 7
T24S-R31E EDDY CO. NM