

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RESUBMITTAL

OCDAKTESIA
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

NM-99016

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Red Man 18 Federal #1

9. API WELL NO.

30-015-35023

10. FIELD AND POOL, OR WILDCAT

Cemetery Morrow

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Section 18, T20S, R25E

12. COUNTY OR PARISH
Eddy County

13. STATE
NM

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☒

OTHER

RECEIVED

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Pogo Producing Company

JUL 20 2006

17891

3. ADDRESS AND TELEPHONE NO.

P. O. Box 10340, Midland, TX 79702-7340 432-685-8100

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface 990' FNL & 660' FWL, Section 18, T20S, R25E

At proposed prod. zone
same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 20 miles NW of Carlsbad New Mexico

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT
(Also to nearest drg. unit line, if any)

660

16. NO. OF ACRES IN LEASE

198.8

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

4000

19. PROPOSED DEPTH

9900

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3568' 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	Cmt to surface w/ Redi-mix
17-1/2	13-3/8 H-40	48	500	550 sks - circ cmt to surface
11	8-5/8 J-55	32	2200	600 sks - circ cmt to surface
7-7/8	5-1/2 L-80	17	9900	1000 sks - Est TOC 2000'

- Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cmt to surface w/ Redi-mix.
- Drill 17-1/2" hole to 500'. Run & set 500' of 13-3/8" 48# H-40 ST&C csg. Cmt w/ 550 sks Cl "C" cmt + 1/4# Flocele/sx + 2% CaCl2. Circ cmt to surface.
- Drill 11" hole to 2200'. Run & set 2200' of 8-5/8" 32# J-55 ST&C csg. Cmt w/ 600 sks Cl "C" cmt + add. Circ cmt to surface.
- Drill 7-7/8" hole to 9900'. Run & set 9900' of 5-1/2" 17# L-80 LT&C csg. Cmt in 2 stages w/ DV tool @ ±4500'. Cmt 1st stage w/ 650 sks Cl "H" cmt + add. Cmt 2nd stage w/ 350 sks Cl "C" cmt + add. Est TOC 2000' FS.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

CARLSBAD CONTROLLED WATER BASIN

IN ABOVE SPACE DESCRIBE PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Cathy Wright

TITLE

Sr Eng Tech

DATE

05/26/06

If an earthen pit(s) will be utilized
in association with this work, a
permit must be obtained prior to
pit construction.

gal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

APPROVED BY

/s/ Tony J. Herrell

TITLE

FIELD MANAGER

DATE

JUL 13 2006

*See Instructions On Reverse Side

Title 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 United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPROVAL FOR 1 YEAR

29.5

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I

1825 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised JUNE 10, 2003

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 74640	Pool Name CEMETARY-MORROW (GAS)
Property Code	Property Name REDMAN 18 FEDERAL		Well Number 1
OGRID No. 17891	Operator Name POGO PRODUCING COMPANY		Elevation 3568'

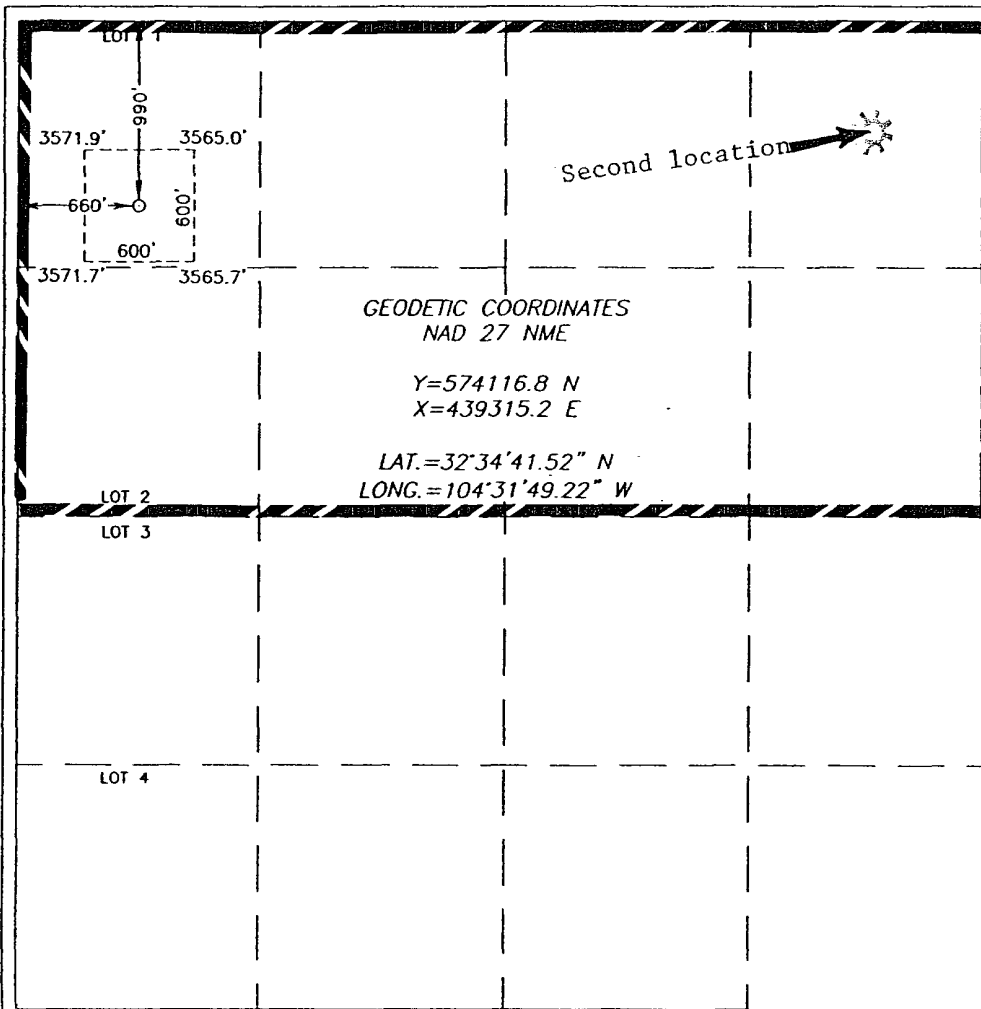
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	18	20-S	25-E		990	NORTH	660	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 320		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



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
09/27/04
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.

SEPTEMBER 9, 2004

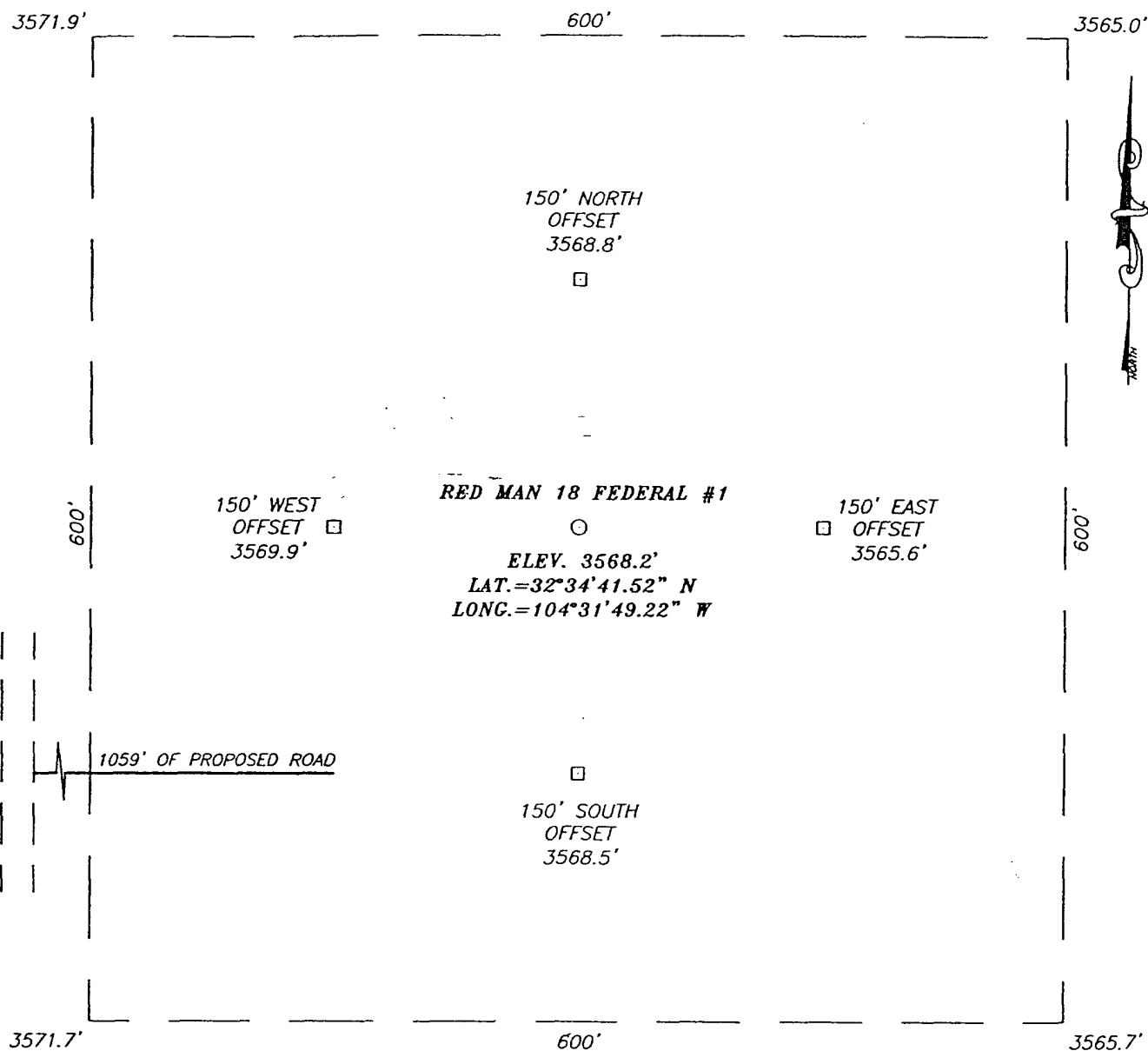
Date Surveyed JR
Signature & Seal of
Professional Surveyor

Gary H. Edson 9/11/04
04.11.1164

Certificate No. GARY EDSON 12641

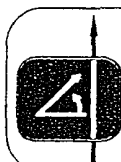
EXHIBIT "A"

SECTION 18, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO

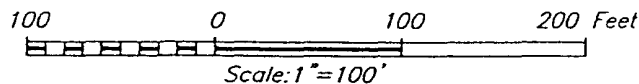


DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF U.S. HWY #285 AND CO. RD. #28 (WHITE PINE RD.) GO WEST ON CO. RD. #28 FOR APPROX. 4.0 MILES TO CO. RD. #27 (PICKETT RD.) TURN RIGHT (NORTH) ON CO. RD. #27 AND FOLLOW ROAD NORTH TO WEST. GO WEST APPROX. 3.6 MILES TO A SIGN (MOC SWD MARATHON OIL CO.) ON THE RIGHT. TURN RIGHT (NORTH) @ SIGN AND GO APPROX. 0.8 MILES TO A PROPOSED ROAD SURVEY ON THE RIGHT. FOLLOW PROPOSED ROAD SURVEY APPROX. 0.2 MILES TO PROPOSED LOCATION.



PROVIDING SURVEYING SERVICES
 SINCE 1948
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 383-3117

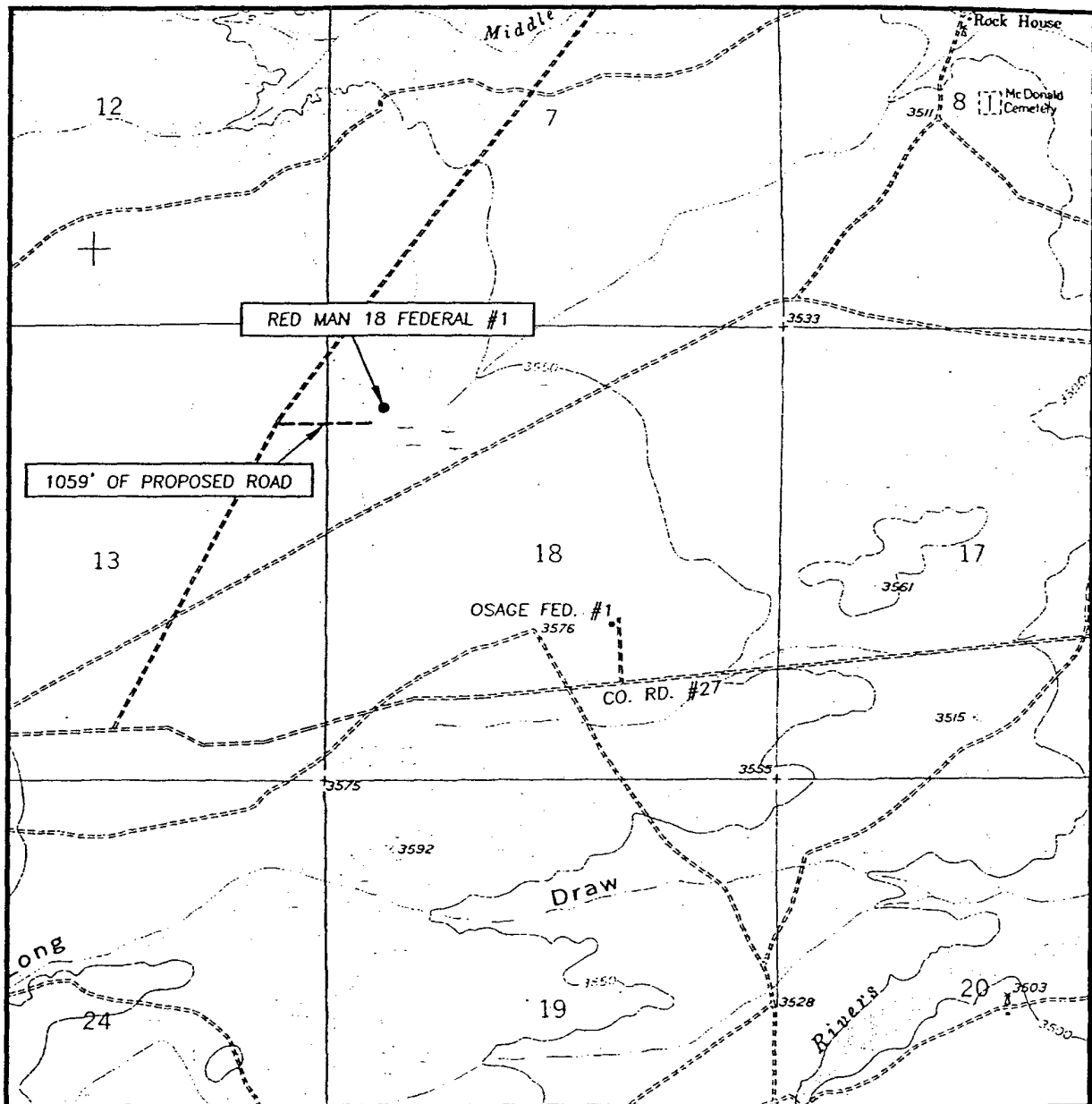


POGO PRODUCING COMPANY

RED MAN 18 FEDERAL #1 WELL
 LOCATED 990 FEET FROM THE NORTH LINE
 AND 660 FEET FROM THE WEST LINE OF SECTION 18,
 TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

Survey Date: 09/9/04	Sheet 1 of 1 Sheets
W.O. Number: 04.11.1164	Dr By: J.R.
Date: 09/10/04	Disk: CD#10
04111164	Scale: 1"=100'

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
FOSTER RANCH, N.M. - 10'

SEC. 18 TWP. 20-S RGE. 25-E

SURVEY N.M.P.M.

COUNTY EDDY

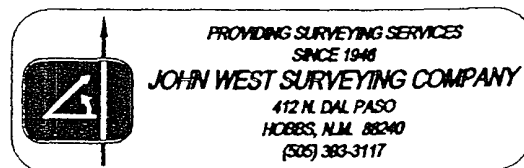
DESCRIPTION 990' FNL & 660' FWL

ELEVATION 3568'

OPERATOR POGO PRODUCING COMPANY

LEASE RED MAN 18 FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
FOSTER RANCH, N.M.



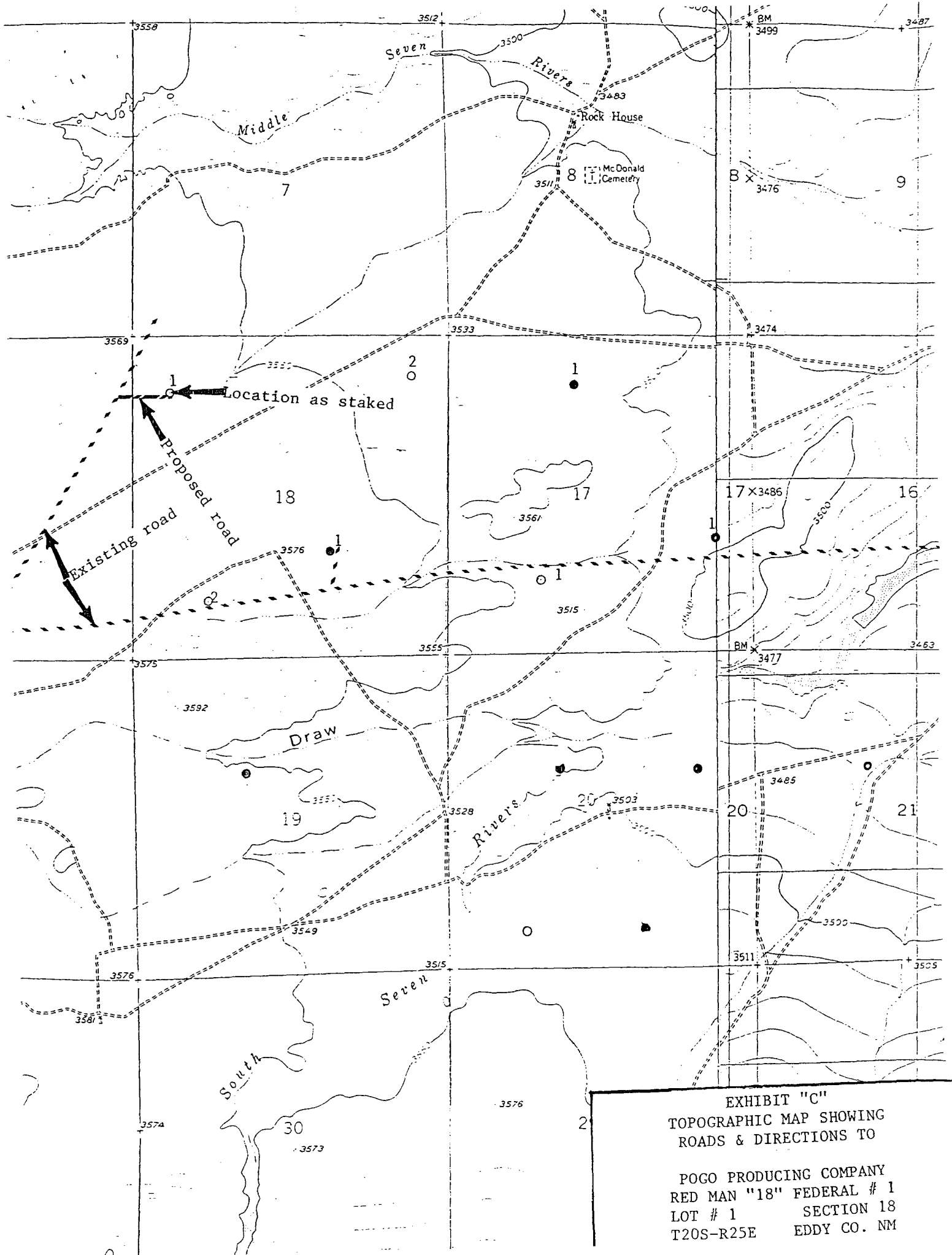
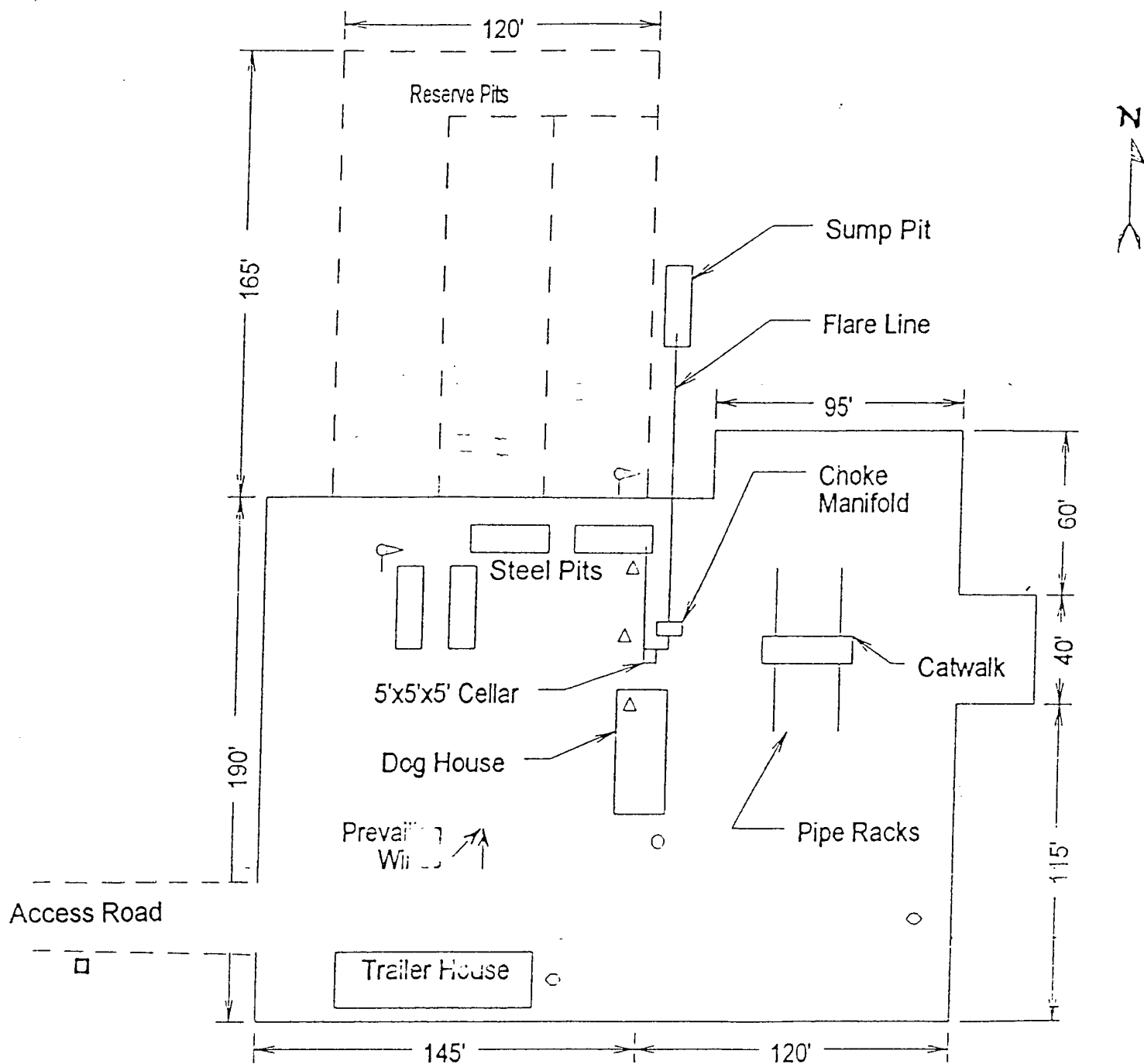


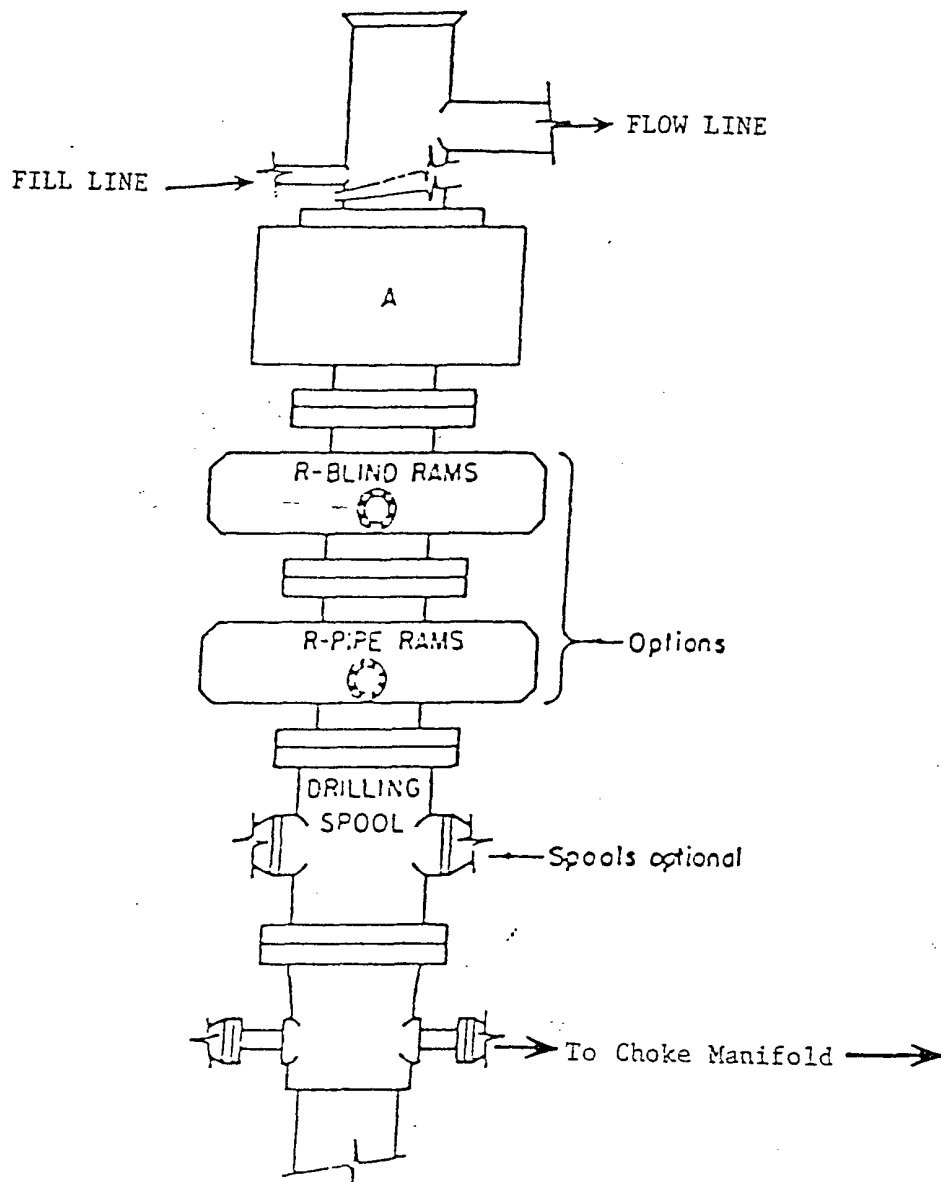
EXHIBIT "C"
TOPOGRAPHIC MAP SHOWING
ROADS & DIRECTIONS TO
POGO PRODUCING COMPANY
RED MAN "18" FEDERAL # 1
LOT # 1 SECTION 18
T20S-R25E EDDY CO. NM



- Wind Direction Indicators
(wind sock or streamers)
- △ H2S Monitors
(alarms at bell nipple and shale shaker)
- Briefing Areas
- Remote BOP Closing Unit
- Sign and Condition Flags

EXHIBIT "D"
RIG LAY OUT PLAT

POGO PRODUCING COMPANY
RED MAN "18" FEDERAL # 1
LOT # 1 SECTION 18
T20S-R25E EDDY CO. NM

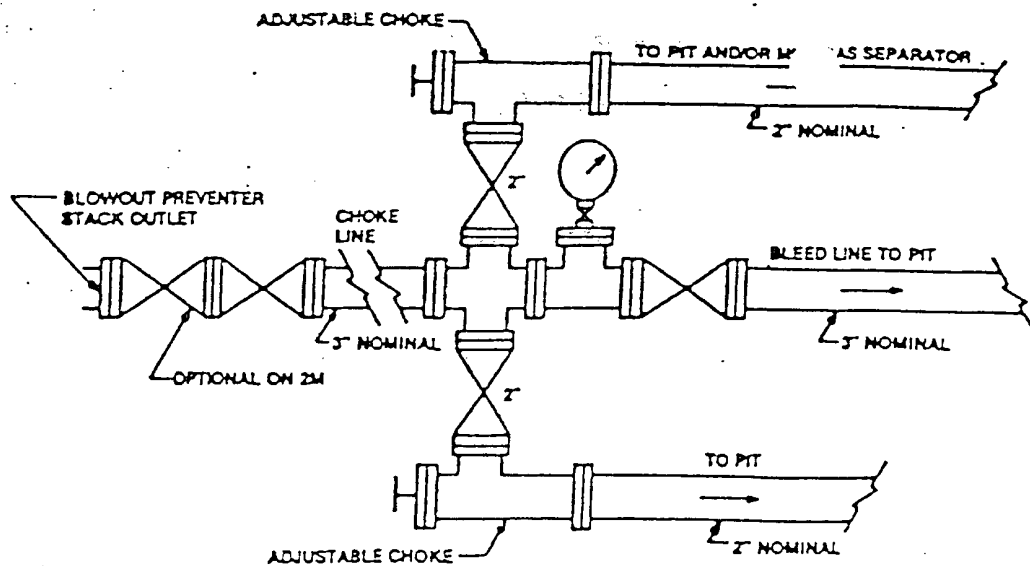


ARRANGEMENT SRRA

900 Series
3000 PSI WP

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

POGO PRODUCING COMPANY
RED MAN "18" FEDERAL # 1
LOT # 1 SECTION 18
T20S-R25E EDDY CO. NM



Typical choke manifold assembly for 3M WP system

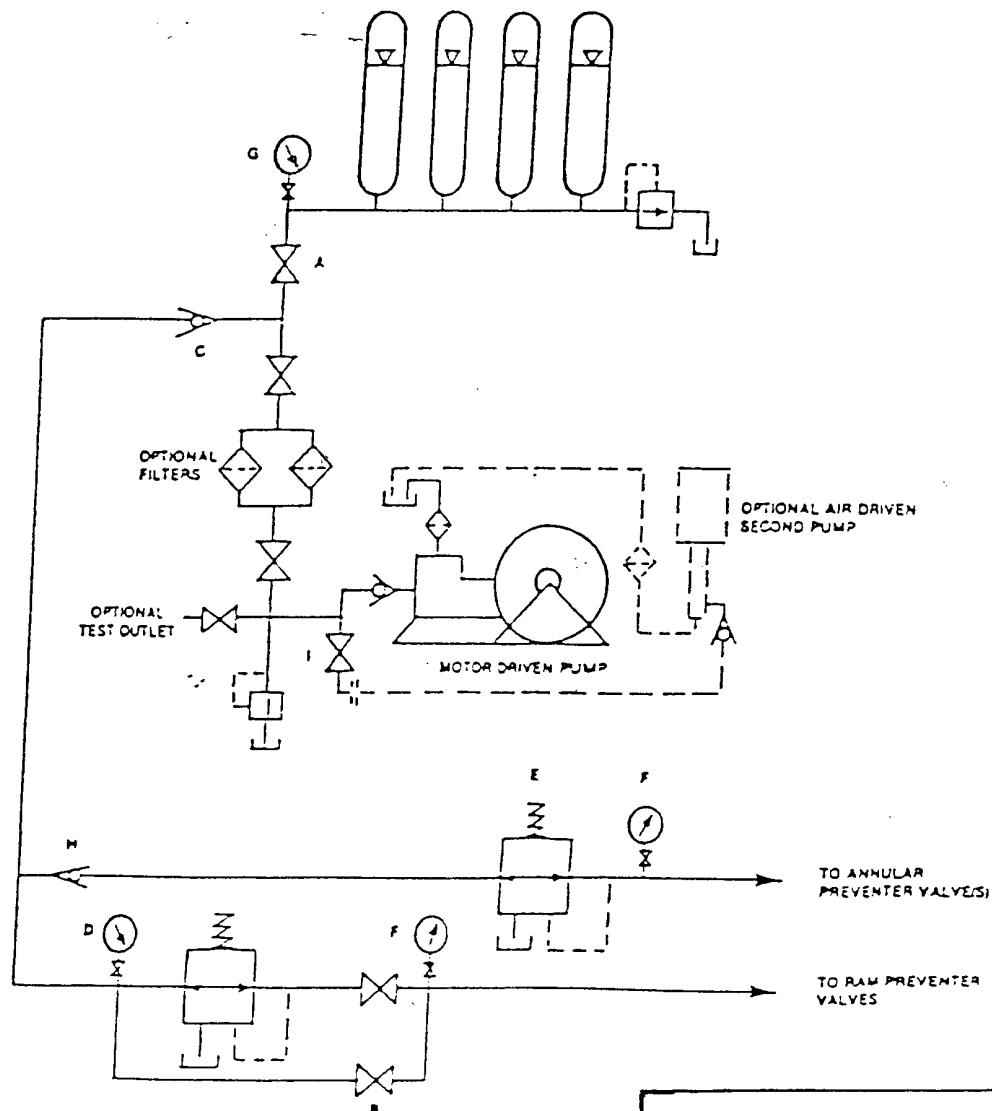


EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

POGO PRODUCING COMPANY
RED MAN "18" FEDERAL # 1
LOT # 1 SECTION 18
T20S-R25E EDDY CO. NM

APPLICATION TO DRILL

POGO PRODUCING COMPANY
 RED MAN "18" FEDERAL # 1
 LOT # 1 SECTION 18
 T20S-R25E EDDY CO. NM

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is provided for your consideration.

1. Location of well: 990' FNL & 660' FWL SECTION 18 T20S-R25E EDDY CO. NM
2. Ground Elevation above Sea Level: 3568' GR.
3. Geological age of surface formation: Quaternary Deposits:
4. Drilling tools and associated equipment: Conventional rotary drilling rig using drilling mud as a circulating medium to remove solids from hole.
5. Proposed drilling depth: 9900'
6. Estimated tops of geological markers:

Queen	600'	3rd Bone Spring Sd.	6570'
Grayburg	910'	Wolfcamp Lime	7020'
San Andres	1310'	Cisco	7850'
Bone Spring Lime	2230'	Morrow Clastics	9420'
7. Possible mineral bearing formations:

		Mississippian	9800'
Wolfcamp	Gas		
Cisco	Gas		
Morrow	Gas		
8. Casing Program:

Hole Size	Interval	OD of Casing	Weight	Thread	Collar	Grade
25"	0-40'	20"	NA	NA	NA	Conductor
17½"	0-500'	13 3/8"	48	8-R	ST&C	H-40
11"	0-2200'	8 5/8"	32	8-R	ST&C	J-55
7 7/8"	0-9900'	5½"	17	8-R	LT&C	J-55

APPLICATION TO DRILL

POGO PRODUCING COMPANY
 RED MAN "18" FEDERAL # 1
 LOT # 1 SECTION 18
 T20S-R25E EDDY CO. NM

9. CASING CEMENTING & SETTING DEPTH:

20"	Conductor	Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
13 3/8"	Surface	Set 500' of 13 3/8" 48# H-40 ST&C casing. Cement with 550 Sx. of Class "C" cement + additives, circulate cement to surface.
8 5/8"	Intermediate	Set 2200' of 8 5/8" 32# J-55 ST&C casing. Cement with 600 Sx of Class "C" cement + 1/4# Flocele/Sx., + 2% CaCl, circulate cement to surface.
5 1/2"	Production	Set 9900' of 5 1/2" 17# L-80 LT&C casing. Cement in 2 stages set DV Tool at 4500'±. Cement 1st stage with 650 Sx. of Class "H" Premium Plus cement + additives, cement 2nd stage with 350 Sx. of Class "C" cement + additives, estimate top of cement 2000' from surface.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" shows a 900 series 3000 PSI working pressure B.O.P. consisting of an annular bag type preventor, middle blind rams, and bottom pipe rams. The B.O.P. will be nipped up on the 13 3/8" casing and tested to API specifications. The B.O.P. will be operated at least once each 24 Hr. period and the blind rams will be operated when the drill pipe is out of on trips. Full opening stabbing valve and upper kelly cock will be available in case if needed. Exhibit "E-1" shows a hydraulically operated closing unit and a 3" 3000 PSI choke manifold with adjustable chokes. No abnormal pressures or temperatures are expected while drilling this well. No problems in offset wells.

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISC.	FLUID LOSS	TYPE MUD SYSTEM
40-500'	8.4-8.7	29-38	NC	Fresh water spud mud use paper to control seepage.
500-2200'	10-10.2	29-40	NC <i>gls</i>	<i>Fresh Water</i> Brine water use paper to control seepage and high viscosity sweeps to clean Hole.
2200-8700'	8.4-8.7	29-40	NC	Fresh water use Gel for viscosity control and high viscosity sweeps to clean hole.
8700-9900'	8.4-8.7	32-40	6-10 cc or less	Same as above use Gel for viscosity control and Dris-Pac for water loss control.

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, or unexpected kicks. In order to run DST's, open hole logs, and casing, viscosity, and water loss may have to be adjusted to meet these needs.

APPLICATION TO DRILL

POGO PRODUCING COMPANY
RED MAN "18" FEDERAL # 1
LOT # 1 SECTION 18
T20S-R25E EDDY CO. NM

12. LOGGING , CORING, AND TESTING:

- A. Open hole logs: Dual induction, SNP, LDT, Gamma Ray, and Caliper from TD Back to 8 5/7" casing shoe.
- B. Cased hole logs: Gamma Ray, Neutron from 8 5/8" casing shoe to surface.
- C. Mud logger may be rigged up on hole at 2200' and remain on hole to TD.
- D. DST's may be taken as shows dictate. Cores may be taken as geologist determines.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. There is no known presence of H²S in this area. If H²S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 4500 PSI, and Estimated BHT 170°.

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operation and drilling is expected to take 25 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flowlines in order to place well on production.

15. OTHER FACETS OF OPERATIONS:

After running casing, cased hole Gamma Ray, Neutron Collar logs will be run from TD back to all possible productive zones. The MORROW formation will be perforated and stimulated in order to establish production. The well will be swab tested and potentialized as a gas well.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

1. All Company and Contract personnel admitted on location must be trained by a qualified H₂S safety instructor to the following:
 - A. Characteristics of H₂S
 - B. Physical effects and hazards
 - C. Proper use of safety equipment and life support systems.
 - D. Principle and operation of H₂S detectors, warning system and briefing areas.
 - E. Evacuation procedure, routes and first aid.
 - F. Proper use of 30 minute pressure demand air pack.
2. H₂S Detection and Alarm Systems
 - A. H₂S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.
3. Windsock and/or wind streamers
 - A. Windsock at mudpit area should be high enough to be visible.
 - B. Windsock at briefing area should be high enough to be visible.
 - C. There should be a windsock at entrance to location.
4. Condition Flags and Signs
 - A. Warning sign on access road to location.
 - B. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H₂S present in dangerous concentration. Only emergency personnel admitted to location.
5. Well control equipment
 - A. See exhibit "E" & "E-1"
6. Communication
 - A. While working under masks chalkboards will be used for communication.
 - B. Hand signals will be used where chalk board is inappropriate.
 - C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephoned will be available at most drilling foreman's trailer or living quarters.
7. Drillstem Testing
 - A. Exhausts will be watered.
 - B. Flare line will be equipped with an electric ignitor or a propane pilot light in case gas reaches the surface.
 - C. If the location is near to a dwelling a closed DST will be performed.

8. Drilling contractor supervisor will be required to be familiar with the effects H₂S has on tubular goods and other mechanical equipment.
9. If H₂S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with H₂S scavengers if necessary.

CONDITIONS OF APPROVAL - DRILLING

Operator's Name: Pogo Producing Company

Well Name & No: Red man 18 Federal No 01

Location: Surface 990' FNL & 660' FWL, Sec.18, T. 20 S., R. 25 E.

Lease: NMNM 99016

Eddy County, New Mexico

.....

I. DRILLING OPERATIONS REQUIREMENTS:

1. The Bureau of Land Management (BLM) is to be notified at the Roswell Field Office, 2909 West Second St., Roswell, NM 88201, (505) 627-0272 for wells in Chaves and Roosevelt Counties; the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822 for wells in Eddy County; and the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (505) 393-3612 for wells in Lea County, in sufficient time for a representative to witness:

A. Spudding

B. Cementing casing: 13 3/8 inch; 8 5/8 inch; 5 1/2 inch.

C. BOP Tests

2. A Hydrogen Sulfide (H₂S) Drilling Plan is not required for this well bore.

3. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

4. Submit a Sundry Notice (Form 3160-5, one original and five copies) for each casing string, describing the casing and cementing operations. Include pertinent information such as; spud date, hole size, casing (size, weight, grade and thread type), cement (type, quantity and top), water zones and problems or hazards encountered. The Sundry shall be submitted within 15 days of completion of each casing string. The reports may be combined into the same Sundry if they fall within the same 15 day time frame.

5. The API No. assigned to the well by NMOCD shall be included on the subsequent report of setting the first casing string.

6. A communitization agreement must be filed in this office for approval prior to any sales from this well.

II. CASING:

1. The 13 3/8 inch shall be set at 500 Feet with cement circulated to the surface. If cement does not circulate to the surface the appropriate BLM office shall be notified and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string.

2. The minimum required fill of cement behind the 8 5/8 inch Intermediate casing is to circulate to surface.

3. The minimum required fill of cement behind the 5 1/2 inch Production casing is to Tie Back to 8 5/8 inch shoe by at least 200 ft.

III. PRESSURE CONTROL:

1. All BOP systems and related equipment shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2. The BOP and related equipment shall be installed and operational before drilling below the 13 3/8 inch casing shoe and shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.

(III Cont):

2. Minimum working pressure of the blowout preventer and related equipment (BOPE) shall be 3 M psi.

3. The appropriate BLM office shall be notified in sufficient time for a representative to witness the test.

- The test shall be done by an independent service company
- The results of the test shall be reported to the appropriate BLM office.
- Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures.
- Use of drilling mud for testing is not permitted since it can mask small leaks.
- Testing must be done in safe workman-like manner. Hard line connections shall be required.
- Both low pressure and high pressure testing of BOPE is required.

G. Gourley RFO 06/06/2006