CONDITIONS OF APPROVAL, IF ANY:

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION WELL API NO. P.O. Box 1980, Hobbs, NM 88240 2040 Pacheco St. 30-015-31851 Santa Fe. NM 8766CEIVED DISTRICT II Indicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 FCG 1 0 2004 STATEXX FEE DISTRICT III State Oil & Gas Lease No. OCD-ARTESIA 1000 Rio Brazos Rd., Aztec, NM 87410 V-3604 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) Type of Well: Lost Tank 35 State WELL XX WELL OTHER «Well No. 2Name of Operator Pogo Producing Company Pool name or Wildcat Address of Operator P. O. Box 10340, Midland, TX 79702-7340 Lost Tank Delaware 4Well Location 330 West 1930 Feet From The North Feet From The Line Unit Letter Line and **21S** 31E Eddy County Section Township Range 10Elevation (Show whether DF, RKB, RT, GR, etc.) 3511 11 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PLUG AND ABANDON REMEDIAL WORK ALTERING CASING **PERFORM REMEDIAL WORK TEMPORARILY ABANDON** CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ANBANDONMENT **PULL OR ALTER CASING** CASING TEST AND CEMENT JOB Add Delaware Perfs OTHER: OTHER: naDescribe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. 01/19/04 POH w/ rods & pump. 01/20/04 POH w/ tbg. Set CIBP @ 7900'. Perf Delaware 7778-94 w/ 2 spf. Test CIBP to 3000# ok. 01/21/04 Perf Delaware 6852-62 w/ 2 spf. Set RBP @ 7093'. Test to 3000# ok. Acdz w/ 1000 gals 7-1/2% acid. Swab. 01/29/04 Frac 6852-62 w/ 37,000# 20/40 SLC. Swab. 02/02/04 Return well to production. I hereby certify that the information above is true and complete to the best of my knowledge and belief. 02/09/04 Sr. Operation Tech SIGNATURE Cathy Wright 432-685-8100 TYPE OR PRINT NAME TELEPHONE NO. (This space for State Use) FEB 1 1 2004 FOR RECORDS ONLY APPROVED BY