

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

11 S
Artesia, NM

VISION C/SF

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other SWD

2. Name of Operator
 Pogo Producing Company

3. Address and Telephone No.
 P. O. Box 10340, Midland, TX 79702-7340 (915)685-8100

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 1980' FNL & 330' FEL, Section 33, T21S, R31E

5. Lease Designation and Serial No.
 NM-96231

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
 Lost Tank 33 Fed #2 SWD

9. API Well No.
 29330
~~30-015-29468~~

10. Field and Pool, or Exploratory Area

11. County or Parish, State
 Eddy County, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Pogo Producing Company respectfully request permission to convert the Lost Tank 33 Federal #2, an economically marginal producer, to a disposal well. Due to continuous drilling and recompletion activity in the area, additional disposal is necessary to economically handle the ever increasing water production.

Pogo plans to inject into the Bell and Upper Cherry Canyon formations.

Application has been approved by the OCD as per Administrative Order SWD-708 (Attached).

**SUBJECT TO
LIKE APPROVAL
BY STATE**

14. I hereby certify that the foregoing is true and correct
 Signed *David R. Glass* Title Division Operations Engineer Date 06/16/98

(This space for Federal or State office use)
 Approved by (ORIG. SGD.) DAVID R. GLASS Title PETROLEUM ENGINEER Date JUN 29 1998
 Conditions of approval, if any:

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.



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

JUN - 1 1998

ADMINISTRATIVE ORDER SWD-708

APPLICATION OF POGO PRODUCING COMPANY FOR SALT WATER DISPOSAL,
EDDY COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Pogo Producing Company made application to the New Mexico Oil Conservation Division on March 11, 1998, for permission to complete for salt water disposal its Lost Tank '33' Federal Well No.2 located 330 feet from the South line and 510 feet from the West line (Unit M) of Section 33, Township 21 South, Range 31 East, NMPM, Eddy County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

The applicant herein, Pogo Producing Company is hereby authorized to complete its Lost Tank '33' Federal Well No.2 located 330 feet from the South line and 510 feet from the West line (Unit M) of Section 33, Township 21 South, Range 31 East, NMPM, Eddy County, New Mexico, in such manner as to permit the injection of salt water for disposal purposes into the Bell Canyon and Upper Cherry Canyon formations at approximately 4166 feet to 5160 feet through 2 7/8-inch plastic-lined tubing set in a packer located at approximately 4066 feet.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 833 psi.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Bell Canyon or Upper Cherry Canyon formations. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of disposal equipment and of the mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Artesia district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

PROVIDED FURTHER THAT, jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall submit monthly reports of the disposal operations on Division Form C-115 and in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

Administrative Order SWD-708

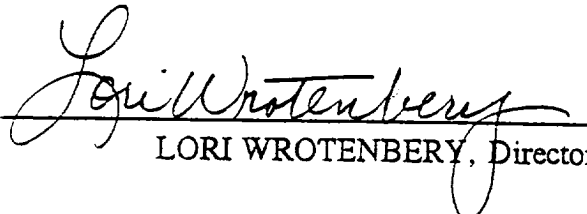
Pogo Producing Company

May 21, 1998

Page 3

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on this 21st day of May, 1998.


LORI WROTENBERY, Director

LW/BES/kv

cc: Oil Conservation Division - Artesia
Bureau of Land Management - Carlsbad