

UNITED STATES **OCD-HOBBS**
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM 90812
2. Name of Operator Pogo Producing Company		6. If Indian, Allottee or Tribe Name
3a. Address P.O. Box 10340, Midland, TX 79702	3b. Phone No. (include area code) 432 684-6381	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Section 8, T24S, R32E, 660' FSL & 4650' FEL 330		8. Well Name and No. Mesa Verde 8 Federal, Well #2
		9. API Well No. 30-025-37914
		10. Field and Pool, or Exploratory Area Mesa Verde; Bone Spring
		11. County or Parish, State Lea

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Off Lease
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Measurement
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recomple 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.)

The gas produced from the Mesa Verde Federal 8-2 is measured at the Mesa Verde battery. In order to sell the gas it goes to the gas line downstream at the Nafta 8 Federal, #1 (Section 8, T24S, R32E, Lease # NM 90812) where the main sales meter is located.

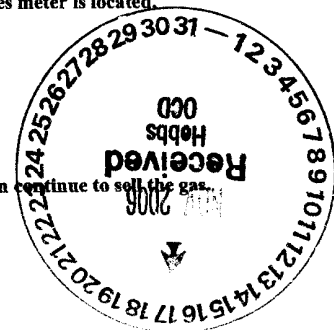
Oil from the Mesa Verde Federal 8 and the Nafta 8 Federal goes into separate tank facilities.

Common gas sales meter only. Attached are copies of the facility diagram and the ownership listing. Ownership has been notified by certified mailing.

The value of the gas is not affected by the common sales point.

We respectfully request that this off lease casinghead gas sales commingling be approved so that we can continue to sell the gas.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

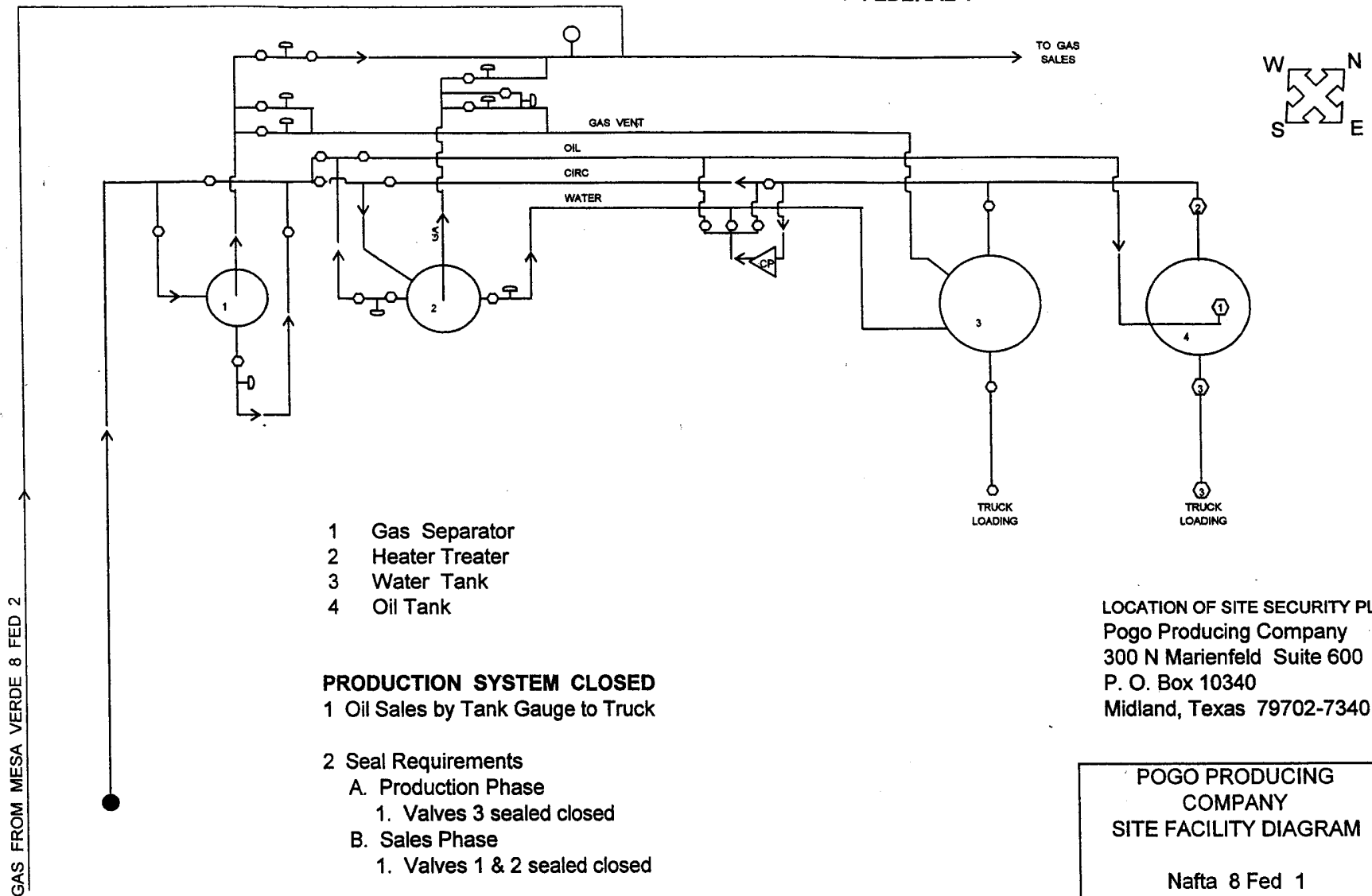


14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Ann E. Ritchie		Title Regulatory Agent
Signature <i>[Signature]</i>		Date 10/27/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Chris Williams</i> Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	OC DISTRICT SUPERVISOR FEB 22 2007	GENERAL MANAGER NOV 13 2006
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		
(Instructions on page 2)		
FREDERICK WRIGHT PETROLEUM ENGINEER		

NAFTA 8 FEDERAL 1



- 1 Gas Separator
- 2 Heater Treater
- 3 Water Tank
- 4 Oil Tank

PRODUCTION SYSTEM CLOSED

- 1 Oil Sales by Tank Gauge to Truck
- 2 Seal Requirements
 - A. Production Phase
 1. Valves 3 sealed closed
 - B. Sales Phase
 1. Valves 1 & 2 sealed closed

NOTE: Mesa Verde 8-2 gas is measured at the Mesa Verde Battery. Gas line then ties in down stream of Nafta 8-1 sales meter.

LOCATION OF SITE SECURITY PLAN
Pogo Producing Company
300 N Marienfeld Suite 600
P. O. Box 10340
Midland, Texas 79702-7340

POGO PRODUCING COMPANY SITE FACILITY DIAGRAM

Nafta 8 Fed 1
1650' Fns & 990' FEL
Section 8, T-24-S, R-32-E
Lea County, New Mexico
Lease NM-90812
Revised 10/06

Mesa Verde 8 Fed 2
660' FSL & 1650' FEL
Section 8, T-24-S, R-32-E
Lea County, New Mexico
Lease NM-90812
API 30-025-37914

Off Lease Measurement

Mesa Verde 8 Federal, Well #2, 30 025 37914
Nafta 8 Federal, Well #1, 30 025 33195
Mesa Verde; Bone Spring pool
Lea County, Texas

Ownership:

Pogo Producing Company

EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702

Exxon Mobil Corporation
P. O. Box 4610
Houston, TX 77210

Minerals Management Service
Royalty Management Program
Lakewood Accounting Center
P.O. Box 5810 T A
Denver, CO 80217-5810

SUNDRY NOTICE SPECIAL STIPULATIONS

1. **Approval is granted subject to the following information being provided:**
2. The operator must provide tests and gas analyses for all commingled wells, for the most recent tests.
3. The operator must provide an explanation of the allocation routine to be used for allocating production from the commingled sales meter back to the individual wells.

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 11/13/06