



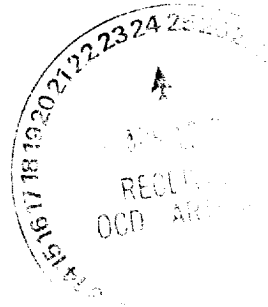
NMOC

POGO PRODUCING COMPANY

April 12, 2002

Via CM RRR 7000 0520 0024 4232 1932

New Mexico Oil Conservation Division
Attn: Mr. David R. Catanach
2040 South Pacheco Street
Santa Fe, New Mexico 87505



RECEIVED
MAIL ROOM
APR 15 2002 05
SANTA FE, NEW MEXICO

Re: RED TANK, SE PROSPECT
Eddy County, New Mexico

APPLICATION FOR ADMINISTRATIVE APPROVAL FOR DOWNHOLE COMMINGLING
Covington A Federal No 2 Well
330' FNL and 660' FWL, Section 25, T-22-S, R-32-E, N.M.P.M.
Federal Oil and Gas Lease NM-2379
Pogo Lease L12

Gentlemen:

Pogo Producing Company respectfully submits Form C-107A (in duplicate), along with attachments thereto, in connection with Pogo's request for Administrative Approval to downhole commingle production from the captioned well.

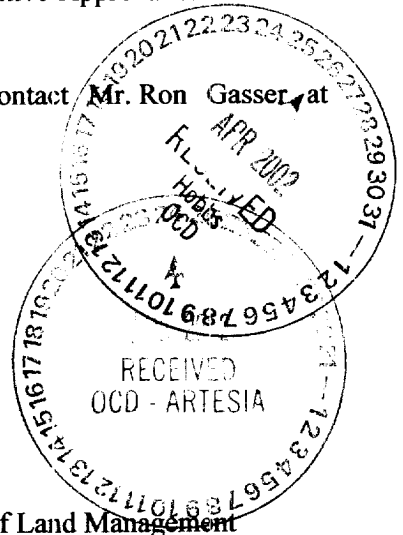
Should you have any questions regarding this matter, please contact Mr. Ron Gasser at (915) 685-8130.

Sincerely,

POGO PRODUCING COMPANY

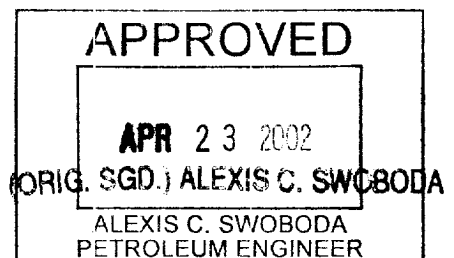
Terry Gant
Division Landman

Enclosures



cc (w/enclosure): New Mexico Oil Conservation Division
Attn: District Supervisor
1625 North French Drive
Hobbs, New Mexico 88240

Bureau of Land Management
P.O. Box 27115
Santa Fe, New Mexico 87502-0115



F:\WorkGroups\Land\Prospects\RedTank,SE\CovingtonAFed#20-OCD(041202)AFEmemo.doc

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-81

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator POGO PRODUCING COMPANY		Lease COVINGTON "A" FEDERAL		Well No. 2
Unit Letter D	Section 25	Township 22 SOUTH	Range 32 EAST NMPM	County LEA
Actual Footage Location of Well: 330 feet from the NORTH line and 660 feet from the WEST line				
Ground Level Elev. 3774.1'	Producing Formation Delaware	Pool West Red Tank Delaware	Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communization, unitization, force-pooling, etc.?
☐ Yes ☐ No If answer is "yes" type of consolidation _____

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)

No allowable will be assigned to the well unit all interests have been consolidated (by communization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, 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.

Signature

Printed Name

Barrett L. Smith

Position

Division Operations Eng

Company

Pogo Producing Company

Date

07/24/98

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 knowledge and belief.

Date Surveyed

SEPTEMBER 21, 1992

Signature & Seal of
Professional Surveyor

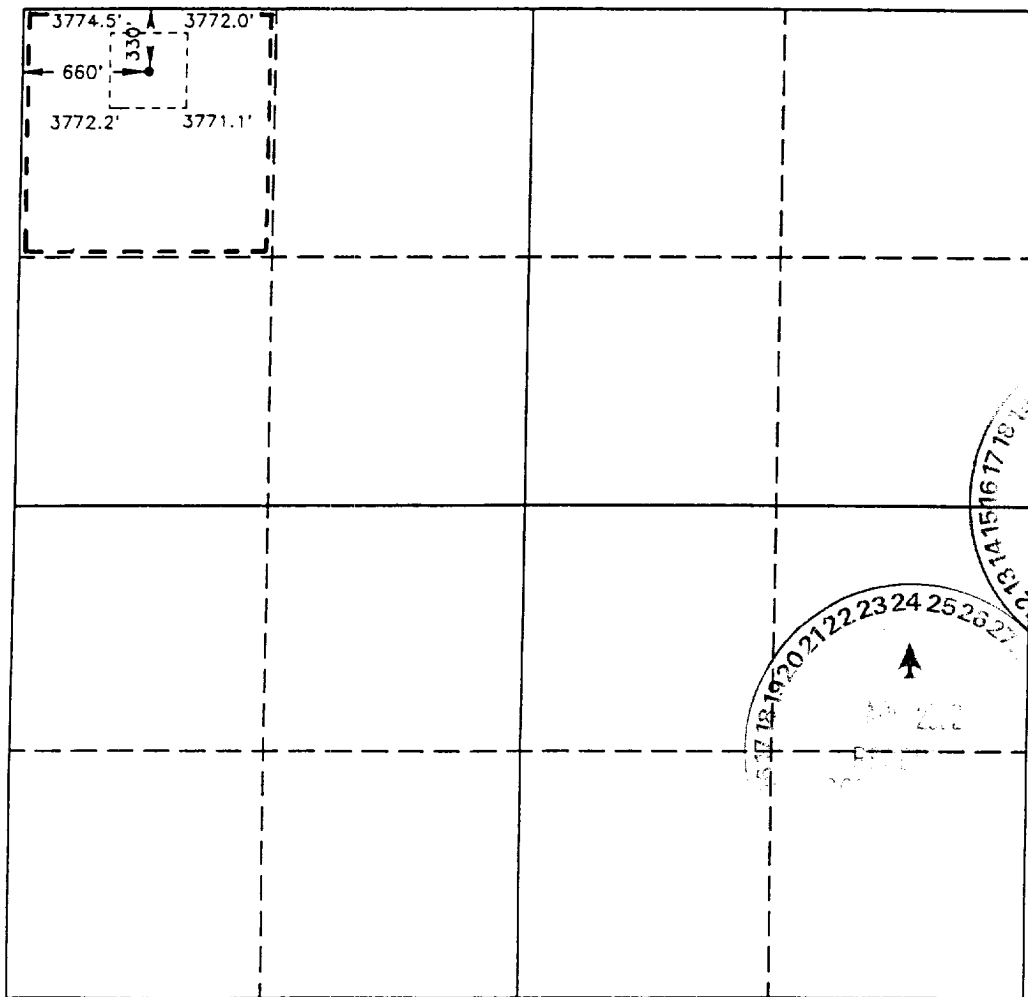
Certificate No.

JOHN W. WEST 676

RONALD J. EIDSON 3239

GARY L. JONES 7977

92-11-402



0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Artec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator POGO PRODUCING COMPANY			Lease COVINGTON "A" FEDERAL		Well No. 2
Unit Letter D	Section 25	Township 22 SOUTH	Range 32 EAST	County LEA	
Actual Footage Location of Well: 330 feet from the NORTH line and 660 feet from the WEST line					
Ground Level Elev. 3774.1'	Producing Formation BONE SPRING	Pool RED TANK BONE SPRING	Dedicated Acreage: 40 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

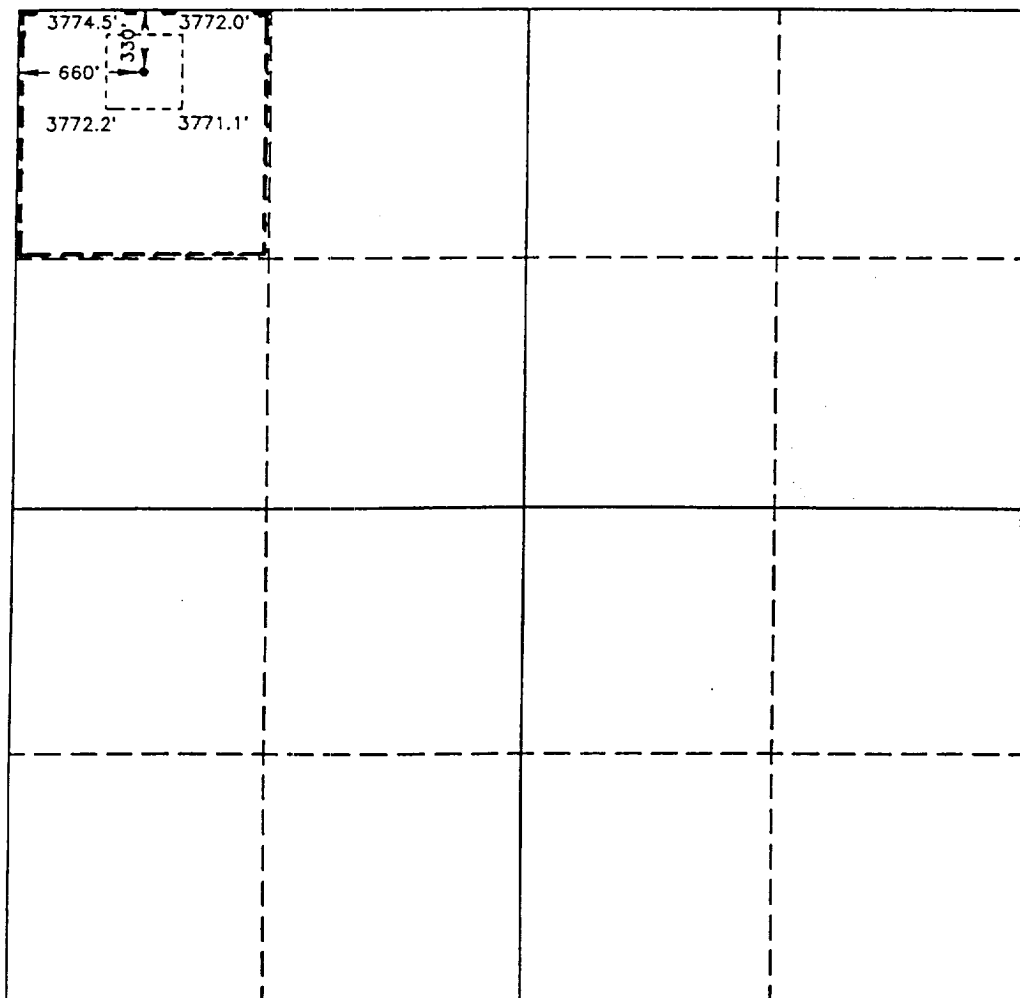
☐ Yes

☐ No

If answer is "yes" type of consolidation _____

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Richard L. Wright

Position

Division Operations Supr.

Company

POGO PRODUCING COMPANY

Date

November 17, 1992

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 knowledge and belief.

Date Surveyed

SEPTEMBER 21, 1992

Signature & Seal of
Professional Surveyor

GARY L. JONES
NEW MEXICO
7977
Certificate No. JOHN W. WEST 676
RONALD J. JOHNSON 3239
GARY L. JONES 7977
REGISTERED PROFESSIONAL SURVEYOR

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

April 8, 2002

ATTACHMENT TO PRODUCTION GRAPHS ACCOMPANYING NMOCD FORM C-107A
- COVINGTON A FEDERAL WELL #2

The attached production graphs for both the Bone Spring and Delaware zones contain corrections to Pogo's past reporting of production to the two fields. Pogo's internal records of wellbore mechanics indicate that all production prior to July 1995 was from the Bone Spring zone. Past reporting by Pogo has correctly assigned production through that month to the Red Tank (Bone Spring) field. However, during June 1995 a cast iron bridge plug was set at 9600 feet above the Bone Spring perforations and the well was recompleted uphole in several intervals of the Delaware over time. The bridge plug is still in place at 9600 feet. Therefore, starting with July 1995, all production should have been reported in the Red Tank, West (Delaware) field.

Pogo's records indicate that production continued to be reported in the Red Tank (Bone Spring) field through October 1998, well after recompletion to the Delaware. Pogo personnel are currently investigating and correcting the apparent reporting errors and will file the appropriate corrections within the next few weeks. The correct cumulative production from the Bone Spring through June 1995 is 16,002 BO, 27,917 MCF, and 26,515 BW. The correct cumulative from the Delaware through December 2001, is 83,534 BO, 79,360 MCF, and 141,768 BW. These cumulatives reflect the corrected monthly production values as shown on the attached plots.

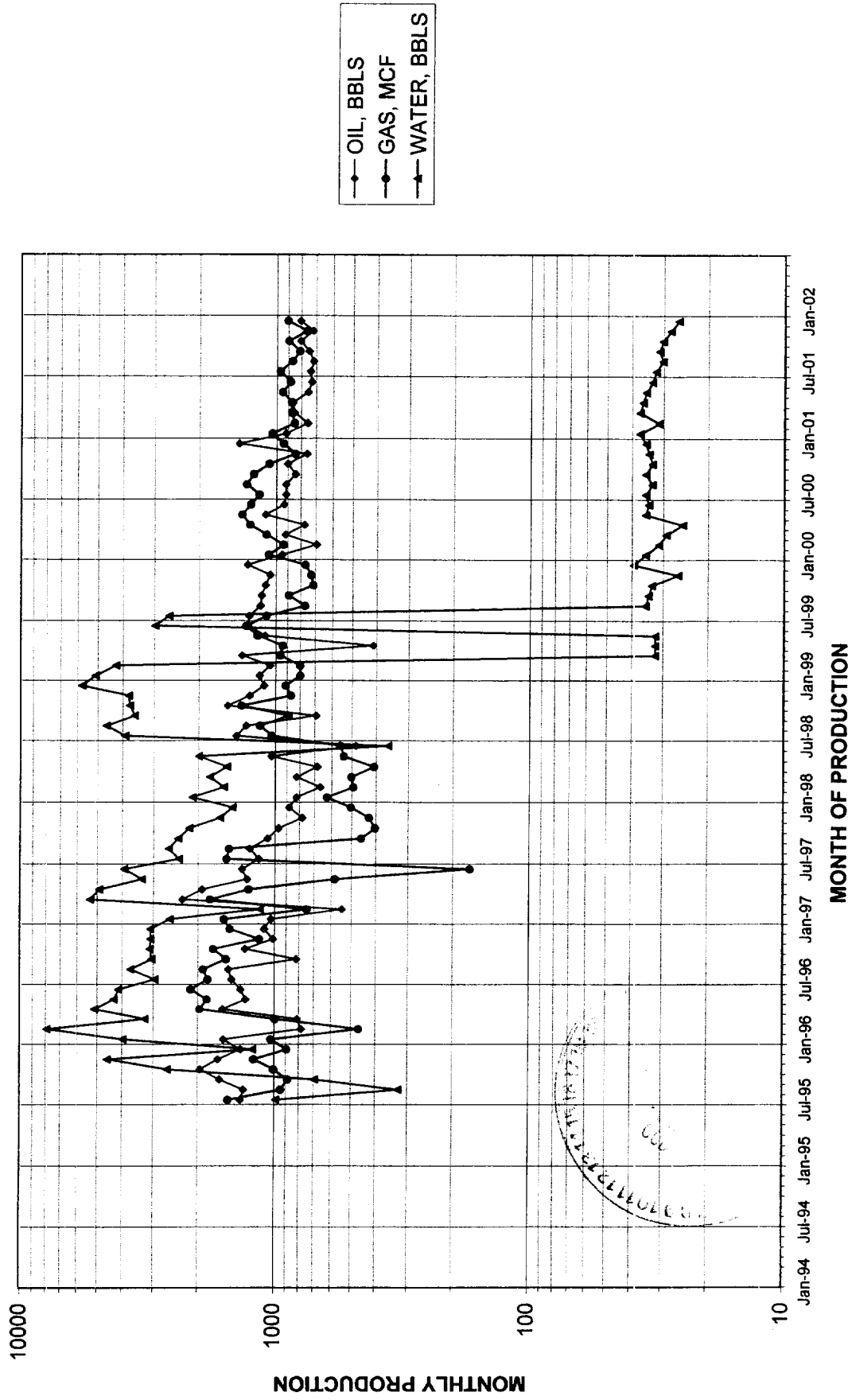
Pogo personnel are also investigating the indicated sudden drop in reported monthly water production beginning in August 1999. Current well tests indicate the Delaware zone is producing 74 BWPD as reported on the Form C-107A downhole commingling application. Anticipated total fluid production from both zones is expected to be 151 barrels per day, well within the pumping systems unmodified capacity of 167 barrels per day. Any needed correction to reported water production will also be filed within the next few weeks.



Ron D. Gasser
Division Petroleum Engineering Manager

RECEIVED
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COVINGTON A FEDERAL WELL #2 - BONE SPRING PRODUCTION
RED TANK, WEST (DELAWARE) FIELD



COVINGTON A FEDERAL WELL #2 - BONE SPRING PRODUCTION RED TANK (BONE SPRING) FIELD

