



POGO PRODUCING COMPANY

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

June 4, 1999

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

RE: Southeast Red Tank Prospect
Lea County, New Mexico
Application for Administrative Approval
for Downhole Commingling in the
Red Tank "24" Federal No. 2 Well
located 2310' FSL and 2310' FWL
Section 24, T-22-S, R-32-E
Federal Oil and Gas Lease NM NM81633
Pogo Lease L20

Gentlemen:

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

If you have any questions, please give me a call at (915) 685-8120.

Sincerely,

POGO PRODUCING COMPANY


Terry Gant
Division Landman

Enclosure

cc: New Mexico Oil Conservation Division (w/copy of enclosure)
Attn: District Supervisor
P.O. Box 1980
Hobbs, NM 88240
bcc w/copy of encl.: RLW
RG
GJD

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources DepartmentForm C-107-A.
New 3-12-96.

DISTRICT II

811 South First St., Artesia, NM 88210-2835

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

APPROVAL PROCESS:

☒ Administrative Hearing.

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410-1693

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE.

☒ YES NO.

Pogo Producing Company

P.O. Box 10340

Midland, TX 79702-7340

Operator

Red Tank 24 Federal

Address

K, Sec 24, T-22-S, R-32-E

Lea

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

OGRID NO. 17891

Property Code 13274

API NO. 30-025-32320

Spacing Unit Lease Types: (check 1 or more)
Federal ☒ State ☐ , (and/or) Fee ☐

The following facts are submitted in support of downhole commingling:		Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	RED TANK: DELAWARE WEST 51689		RED TANK: BONE SPRING 51683	
2. Top and Bottom of Pay Section (Perforations)	8038' - 8516'		8852' - 8886'	
3. Type of production (Oil or Gas)	OIL		OIL	
4. Method of Production (Flowing or Artificial Lift)	ARTIFICIAL LIFT		ARTIFICIAL LIFT	
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 300 psi Producing (estimated)		a. 1000 psi SI (estimated)	
	b. (Original) 3218 psi SI	b.	b. 3637 psi SI	
6. Oil Gravity (API) or Gas BTU Content	40.8		42.1	
7. Producing or Shut-In?	PRODUCING		SHUT IN	
Production Marginal? (yes or no) * If Shut-In, give date and oil/gas/ water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data * If Producing, give date and oil/gas/ water rates of recent test (within 60 days)	NO		NO	
	Date: Rates: BO, BW, MCF	Date: Rates:	Date: 1-3-99 Rates: 22 BO, 0 BW, 100 MCF	
	Date: Rates:	Date: Rates:	Date: Rates:	
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: 60% Gas: 32%	Oil: % Gas: %	Oil: 40% Gas: 68%	
	SEE ATTACHMENT FOR SUPPORT		SEE ATTACHMENT FOR SUPPORT	

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? ☒ Yes ___ No
If not, have all working, overriding, and royalty interests been notified by certified mail? ___ Yes ___ No
Have all offset operators been given written notice of the proposed downhole commingling? ☒ Yes ___ No11. Will cross-flow occur? ___ Yes ☒ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ___ Yes ___ No (If No, attach explanation)12. Are all produced fluids from all commingled zones compatible with each other? ☒ Yes ___ No13. Will the value of production be decreased by commingling? ___ Yes ☒ No (If Yes, attach explanation)14. If this well is on, or communited with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☒ Yes ___ No

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). _____

16. ATTACHMENTS:

- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation method or formula.
- * Notification list of all offset operators.
- * Notification list of working, overriding, and royalty interests for uncommon interest cases.
- * Any additional statements, data, or documents required to support commingling.

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

SIGNATURE: Ron D. Gasser TITLE: Div. Petr. Engr. Mgr. DATE: 6-4-99TYPE OR PRINT NAME: Ron D. Gasser TELEPHONE NO. (915) 685-8100

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

OIL CONSERVATION DIVISION

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

DISTRICT III
1900 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
PO BOX 2088, SANTA FE, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-32320	Pool Code 51689	Pool Name Red Tank Delaware West
Property Code 13274	Property Name RED TANK "24" FEDERAL	Well Number 2
GRID No. 17891	Operator Name POGO PRODUCING CO.	Elevation 3721

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	24	22 S	32 E		2310	SOUTH	2310	WEST	LEA

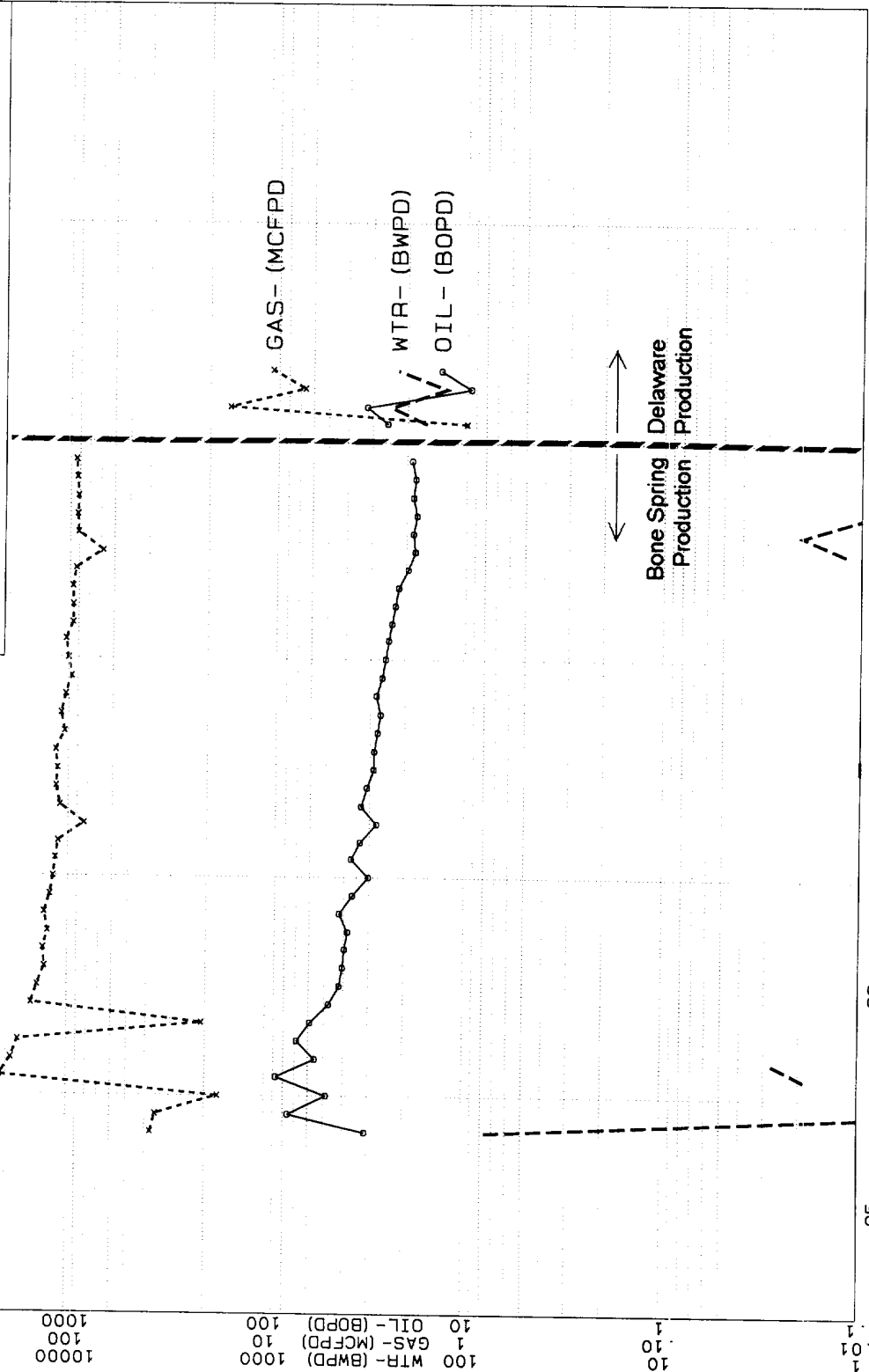
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill N	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>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature Cathy Tomberlin Printed Name Operations Technician Title 04/22/99 Date	
				SURVEYOR CERTIFICATION <i>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.</i> AUGUST 1, 1995 Date Surveyed Signature Professional Surveyor NEW MEXICO 3239 P.O. No. 95-1191 Certified to No. JOHN WEST Professional Surveyor EIDSON 676 3239 12641	

LEASE : RED TANK 24 FEDERAL #2
 FIELD : RED TANK, WEST - C/O
 COUNTY :
 OPERATOR : POGO PRODUCING, S# : 286
 RESERVOIR: DELAWARE



DATE

ATTACHMENT TO NMOCD FOR C-107-A

ADDITIONAL DATA FOR DOWNHOLE COMMINGLING

RED TANK 24 FEDERAL WELL NO. 2

Pogo Producing Company respectfully submits the following:

This well is currently producing from Delaware Brushy Canyon "C" perforations at 8038'-8057'. The latest gauge from this zone was measured on 5-31-99 which indicated production of 14 BO, 148 BW, and 24 MCF gas in 24 hours. A retrievable bridge plug is currently set at 8301'.

Prior to being completed in the "C" zone, the well had been producing from Brushy Canyon "A" perforations 8448'-8516'. The last test from this zone was taken on 3-14-99 and indicated production of 19 BO, 219 BW, and 22 MCF gas in 24 hours.

For purposes of calculating the Fixed Percentage Allocation Formula for the Delaware zones after commingling, the above test information has been summed to arrive at the total expected Delaware producing rate. This total is 33 BO, 367 BW, and 46 MCF gas in 24 hours.

The last producing rate for the Bone Spring was 22 BO, 0 BW, and 100 MCF gas in 24 hours measured on 1-3-99.

The calculated Fixed Percentage Allocation Formula is based upon the above test information and is calculated as follows:

POOL: RED TANK, WEST DELAWARE		POOL: RED TANK BONE SPRING	
OIL, %	GAS, %	OIL, %	GAS, %
60	32	40	68

POGO PRODUCING COMPANY (OGRID NO. 017891)

**ADMINISTRATIVE APPROVAL REQUESTED TO DOWNHOLE
COMMINGLE IN THE
COVINGTON A FEDERAL WELL NO. 10 (PROPERTY CODE 9316)
UNIT O, SEC 25, T-22-S, R-32-E, LEA COUNTY, NEW MEXICO**

OFFSET NOTIFICATION LIST:

**Burlington Resources Oil & Gas Company
P.O. Box 51810
Midland, TX 79710-1810**

**Strata Production Company
200 West First Street
Roswell Petroleum Building, Suite 700
Roswell, New Mexico 88201**

**Bureau of Land Management
Roswell District Office
2909 W. 2nd Street
Roswell, New Mexico 88201
Attn: Mr. Larry Bray**

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Energy, Minerals and Natural Resources Department

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Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-32320	Pool Code	Pool Name RED TANK BONE SPRINGS
Property Code	Property Name RED TANK "24" FEDERAL	Well Number 2
OGRID No. 17891	Operator Name POGO PRODUCING CO.	Elevation 3721

Surface Location

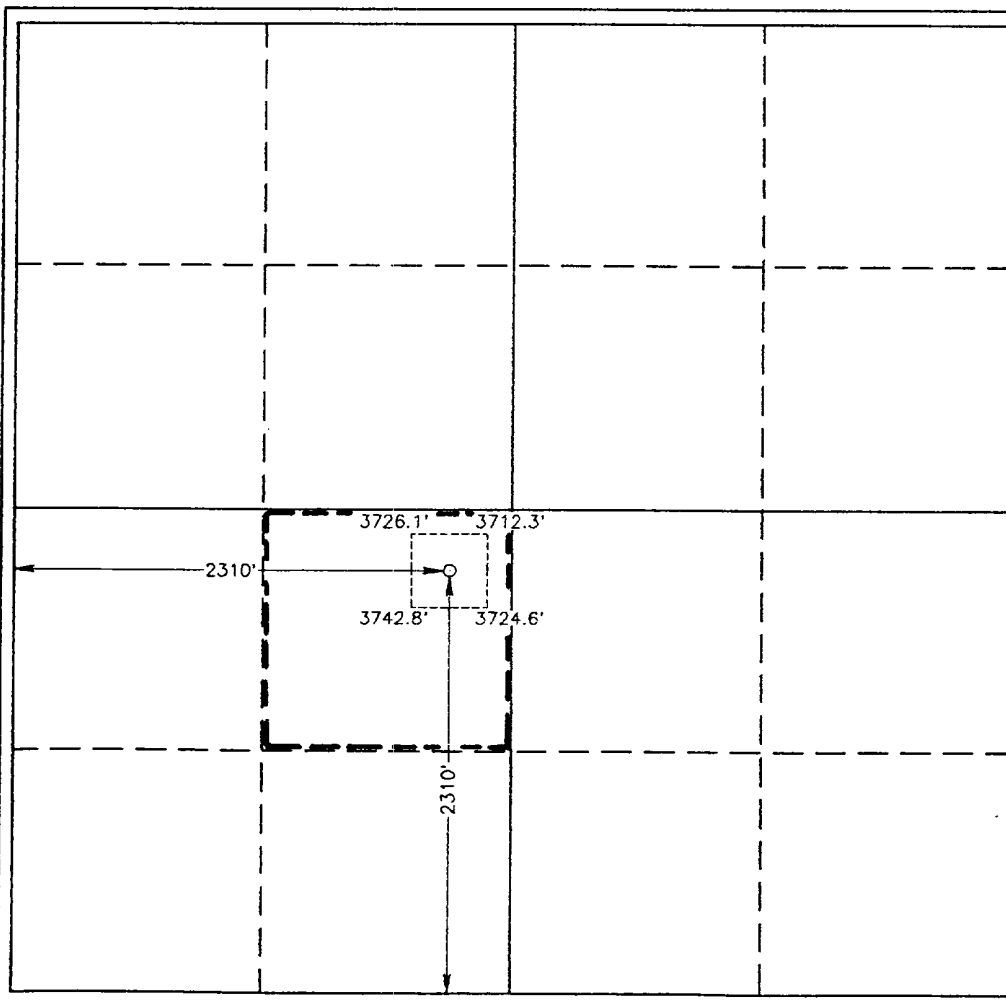

UL or lot No. K	Section 24	Township 22 S	Range 32 E	Lot Idn	Feet from the 2310	North/South line SOUTH	Feet from the 2310	East/West line WEST	County LEA
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres 40	Joint or Infill N	Consolidation Code	Order No.
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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

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p> Signature</p> <p>Arthur R. Brown Printed Name</p> <p>Agent Title</p> <p>August 8, 1995 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>AUGUST 1, 1995</p> <p>Date Surveyed</p> <p>Signature of J. EIDSON Professional Surveyor</p> <p>NEW MEXICO</p> <p>37289 P.O. No. 95-1191</p> <p>8-04-95</p> <p>Certified to No. JOHN EIDSON 676 3239 12641</p>