

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
P.O. Box 1980
Hobbs, NM 88241

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	5. Lease Designation and Serial No. NM-58940
2. Name of Operator Pogo Producing Company	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P. O. Box 10340, Midland, TX 79702-7340 (915)685-8100	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M. or Survey Description) 860' FSL & 1980' FWL, Section 24, T22S, R32E	8. Well Name and No. Red Tank 24 Federal #1
	9. API Well No. 30-025-32326
	10. Field and Pool, or Exploratory Area W. Red Tank Delaware
	11. County or Parish, State Lea County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
☐ Notice of Intent	☐ Abandonment
☐ Subsequent Report	☐ Recompletion
☐ Final Abandonment Notice	☐ Plugging Back
	☐ Casing Repair
	☐ Altering Casing
	☒ Other Request permission to commingle
	☐ Change of Plans
	☐ New Construction
	☐ Non-Routine Fracturing
	☐ Water Shut-Off
	☐ Conversion to Injection
	☐ Dispose Water

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

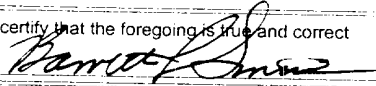
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to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

Pogo Producing Company respectfully ask permission to commingle the Bone Springs and Delaware formations in the Red Tank 24 Federal #1.

Production will be increased by producing the two formations together improving economics in the area. There will be no cross flow plus the fluids from both zones are compatible resulting in no formation damage.

**SUBJECT TO
LIKE APPROVAL
BY STATE**

14. I hereby certify that the foregoing is true and correct

Signed 

Title Division Operations Engineer

Date 09/16/98

(This space for Federal or State office use)

Approved by
Conditions of approval, if any:

Title

PETROLEUM ENGINEER

Date

OCT 21 1998

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.

*See Instruction on Reverse Side

DISTRICT I

P.O. Box 1990 Hobbs, NM 88241-1990

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

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

Lea

Lease

Well No

Unit Ltr - Sec - Twp - Rge

County

OGRID NO 017891

Property Code 13274

API NO. 30-025-32326

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)	7330' - 8566'		8860' - 86'
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 b. (Original) 3218 psi	a. b.	a. 2500 psi SI b. 3637 psi
6. Oil Gravity (API) or Gas BTU Content	40.8		42.2
7. Producing or 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)	PRODUCING NO Date: 8/18/98 Rates: 30BO, 35BW, 182MCF		SHUT IN NO Date: 2/5/96 Rates: 39BO, 145BW, 120MCF
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 44% Gas: 60%	Oil: % Gas: %	Oil: 56% Gas: 40%

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 ☐ No

11. 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 ☐ No

13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)

14. If this well is on, or communitized 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: Mark Burkett TITLE: Div. Petr. Engr. Mngr. DATE: 9/10/98
TYPE OR PRINT NAME: Mark Burkett TELEPHONE NO. (915) 685-8100

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

OIL CONSERVATION DIVISION

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator POGO PRODUCING CO.			Lease RED TANK "24" FEDERAL		Well No. 1
Unit Letter N	Section 24	Township 22 SOUTH	Range 32 EAST	County LEA	
Actual Footage Location of Well: 860 feet from the SOUTH line and 1980 feet from the WEST line					
Ground Level Elev. 3755.9'		Producing Formation BONE SPRINGS		Pool UNDES. RED TANK BONE SPRINGS	Dedicated Acreage: 40 Acres
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. 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 the the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Position

Company

Date

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

Signature of Professional Surveyor

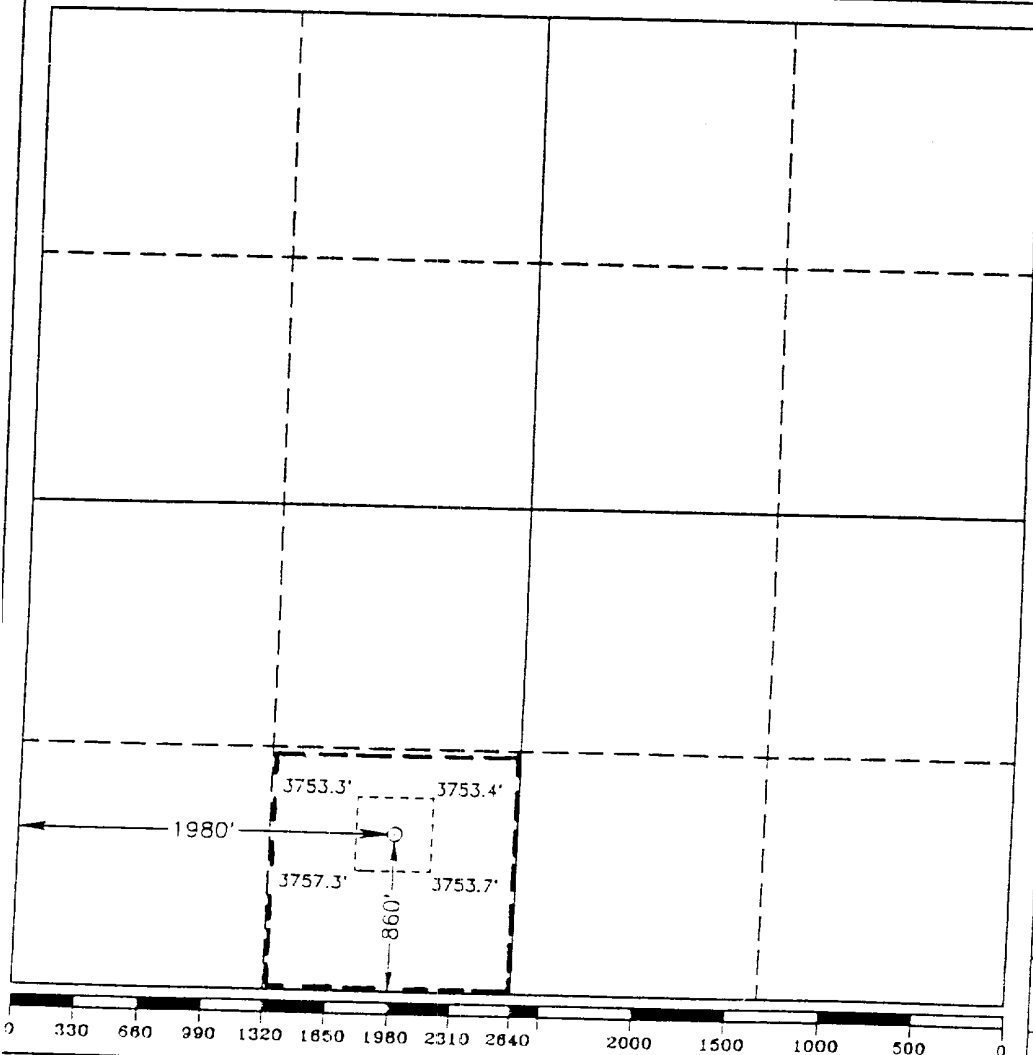
Certificate No.

JOHN W. WEST, 878

RONALD J. EIDSON, 3239

GARY L. JONES, 1977

92-11-1973



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-

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

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P.O. Drawer DD, Artesia, NM 88210

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1000 Rio Brazos Rd., Artesia, NM 87410

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Santa Fe, New Mexico 87504-2088

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Operator POGO PRODUCING CO.			Lease RED TANK "24" FEDERAL		Well No. 1
Unit Letter N	Section 24	Township 22 SOUTH	Range 32 EAST	County LEA	

Actual Footage Location of Well:

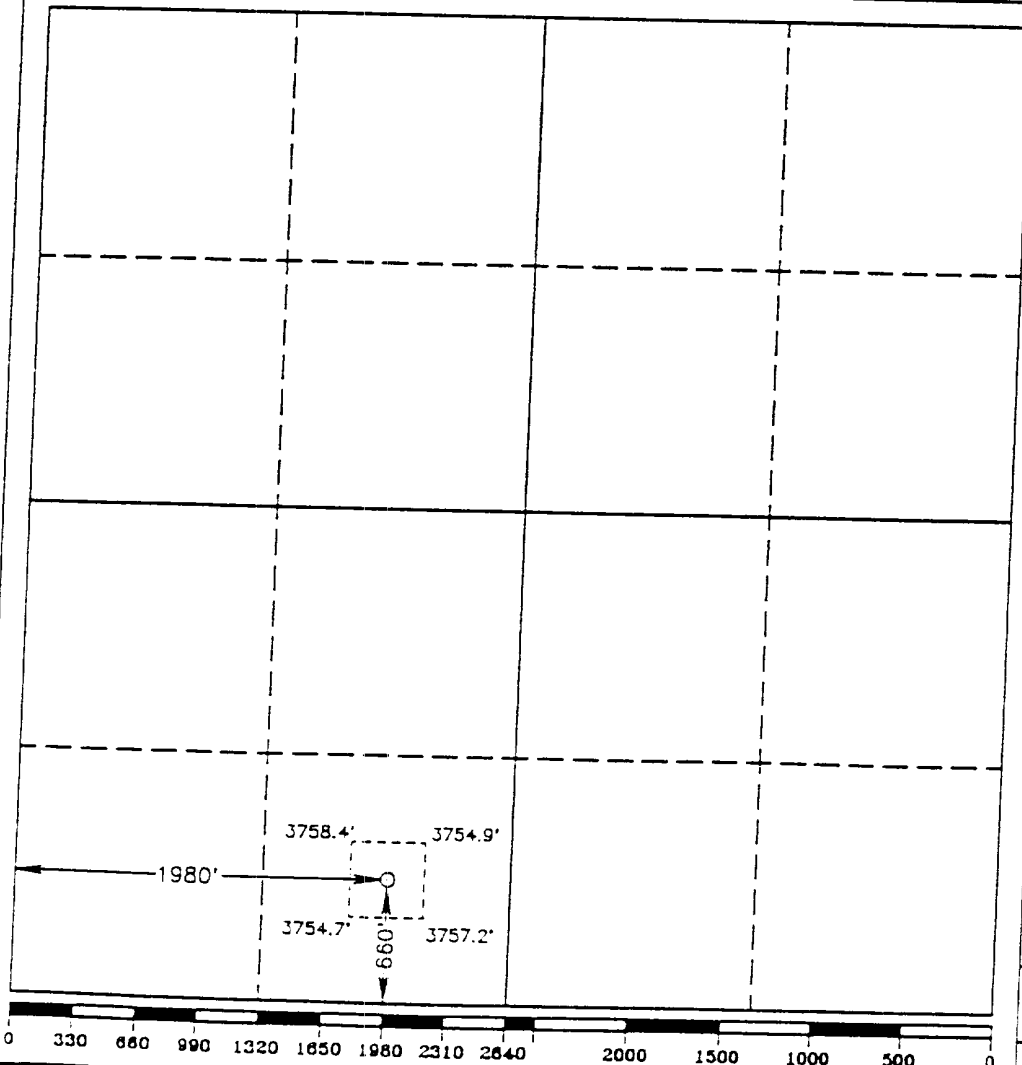
660 feet from the SOUTH line and 1980

Ground Level Elev. 3756.2'	Producing Formation Delaware	Pool West Red Tank Delaware	feet from the WEST line Dedicated Acreage: 40 Acres
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1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. 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 the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Barrett L. Smith
Printed Name
Barrett L. Smith
Position
Division Operations Eng
Company
Pogo Producing Company
Date
8/19/98

SURVEYOR CERTIFICATION

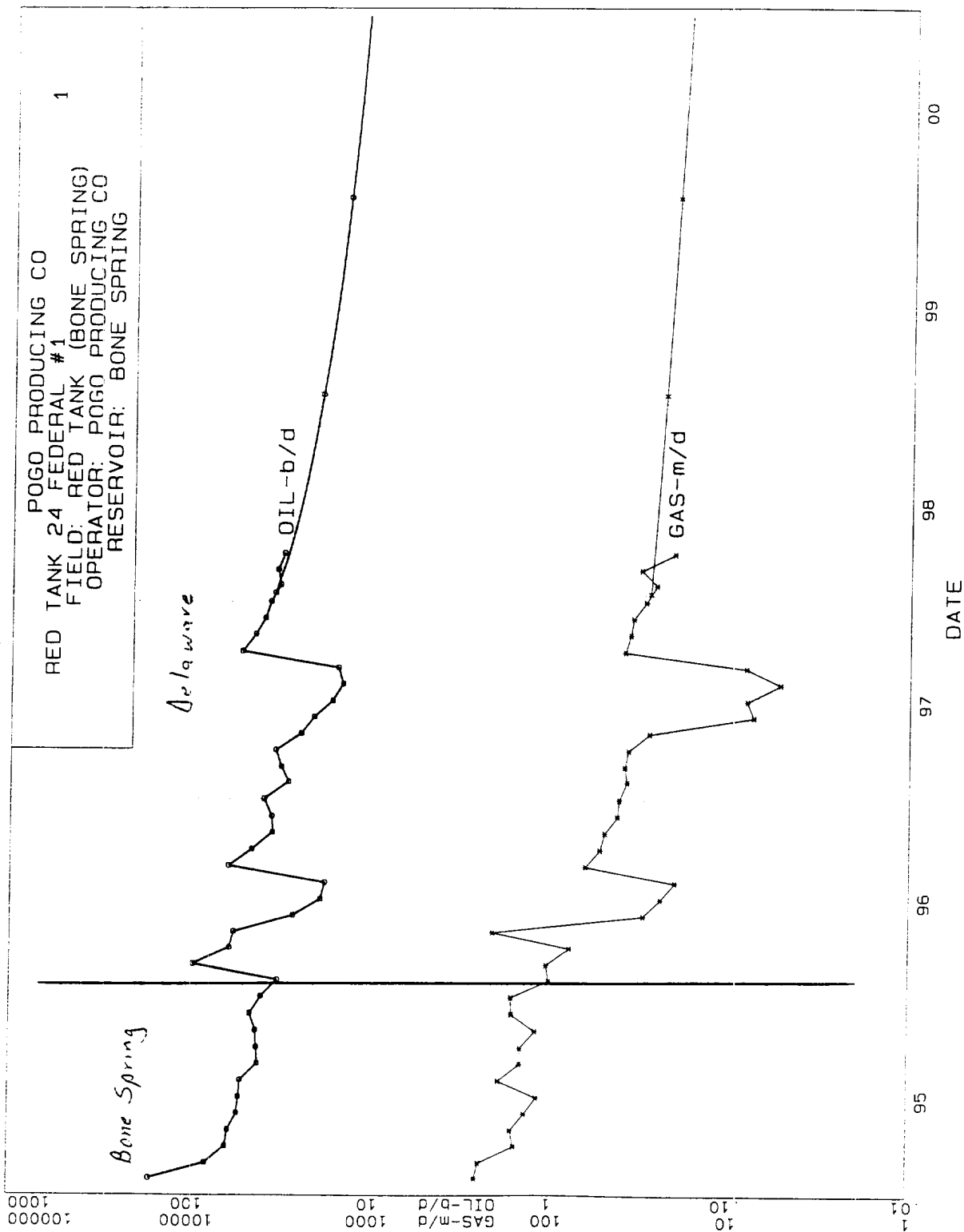
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

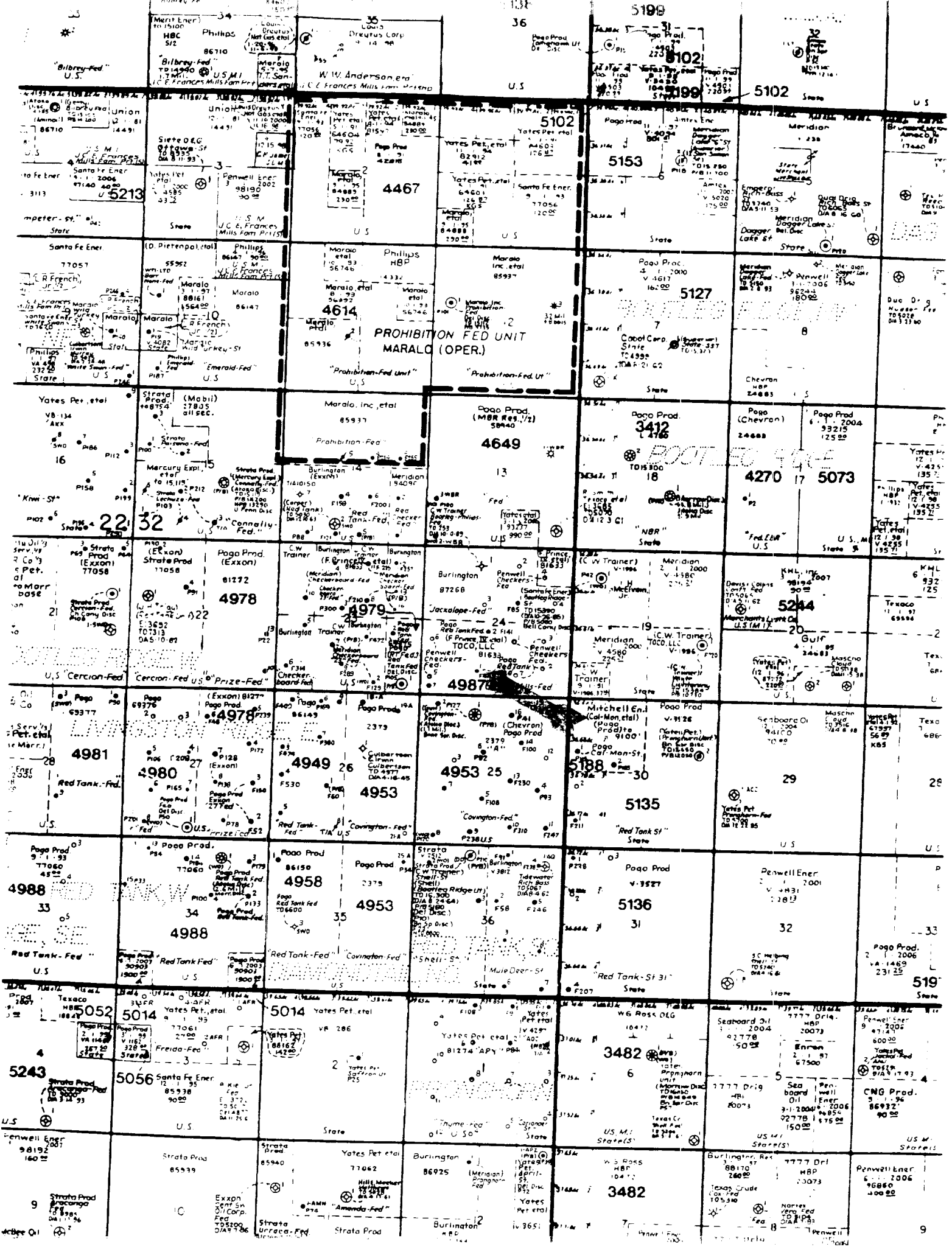
Date Surveyed
NOVEMBER 5, 1992

Signature & Seal of
Professional Surveyor

Certificate No. JOHN W. WESS 578
RONALD J. EIDSON 3239
GARY L. JONES 7977

92-01-4683





PROHIBITION FED UNIT
MARALO (OPER.)

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Pogo Producing Company, OGRID No. 017891
Application for Administrative Approval for Downhole Commingling in the
Red Tank 24 Federal No. 1 Well (Property Code 13274)
660' FSL and 1980' FWL, Section 24, T-22-S, R-32-E
Lea County, New Mexico

Offset Operator Notification:

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

Penwell Energy, Inc.
600 N. Marienfeld, Suite 1100
Midland, TX 79701