OPER. OGRID NO. 17891

PROPERTY NO. 17211

POOL CODE 51683

EFF. DATE 12/18/95

API NO. 30-025-33232

Form 3160-3
(July 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ]

b. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER — SINGLE ZONE [X] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR: POGO Producing Co.

3. ADDRESS AND TELEPHONE NO.: P.O. Box 10340, Midland, Tx 78702 (915) 682-6822

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1650' FNL & 1980' FEL Sec.33 T22S R32E Lea Co. NM
At proposed prod. zone: Unit G

5. LEASE DESIGNATION AND SERIAL NO.: NM-77060

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME, WELL NO.: Red Tank Federal #4 (33)

9. API WELL NO.:

10. FIELD AND POOL, OR WILDCAT: Red Tank Bone Spring

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec.33 T22S R32E

12. COUNTY OR PARISH: Lea 13. STATE: N.M.

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 30 miles East of Carlsbad, N,M.

| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) | 16. NO. OF ACRES IN LEASE | 17. NO. OF ACRES ASSIGNED TO THIS WELL |
|---|---|---|
| 1650' | 1160 | 40 |
| **18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.** | **19. PROPOSED DEPTH** | **20. ROTARY OR CABLE TOOLS** |
| 1320' | 9000' | Rotary |

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3597' GR

22. APPROX. DATE WORK WILL START*: as soon as approved

Carlsbad Controlled Water Basin

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|---|---|---|---|---|
| 17-½ | J-55 13-3/8" | 54.5# | 800' | 700 sx Circulate to surface |
| 11" | J-55 S80 8-5/8" | 32 # | 4600' | 1400 sx " " " |
| 7-7/8 | J-55 S80 5-½" | 17 # | 9000' | 900 sx Top of cement 3600' |

1. Drill 17-½" hole to 800'. Run & set 800'of 13-3/8" J-55 54.5# ST&C casing. Cement with 500 sx light cement. Tail in with 200 sx class "C" + 2% CaCl. Circulate to surface.

2. Drill 11" hole to 4600'. Run and set 4600' of 8-5/8" csg. as follows: 300' of S-80 32# ST&C + 4300' of J-55 32# ST&C casing. Cement with 1200 sx light cement + 10% salt. Tail in with 200 sx. Premium cement + 1% CaCl circulate cement to surface.

3. Drill 7-7/8" hole to 9000'. Run & set 9000' of 5-½" csg as follows: 2000' of N-80 17# LT&C, 6000'of J-55 17# LT&C, 1000' of N-80 17#, LT&C. Cement with 500sx light cement. Tail in with 400 sx premium cement. Top of cement to be at 3600', verify with log.

**General requirements and Special Stipulations Attached**

BUREAU OF LAND MANAGEMENT RECEIVED OCT 18 1995 DIST. 2 N.M. Carlsbad, New Mexico

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Joe T. Janica TITLE Agent DATE 10-17-95

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval 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.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

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.

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

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

# OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

| API Number | Pool Code | Pool Name |
|---|---|---|
| 30-025-33232 | 51683 | Red Tank Bone Spring |

| Property Code | Property Name | Well Number |
|---|---|---|
| 17271 | RED TANK 33 FEDERAL | 4 |

| OGRID No. | Operator Name | Elevation |
|---|---|---|
| 17891 | POGO PRODUCING CO. | 3597 |

### Surface Location

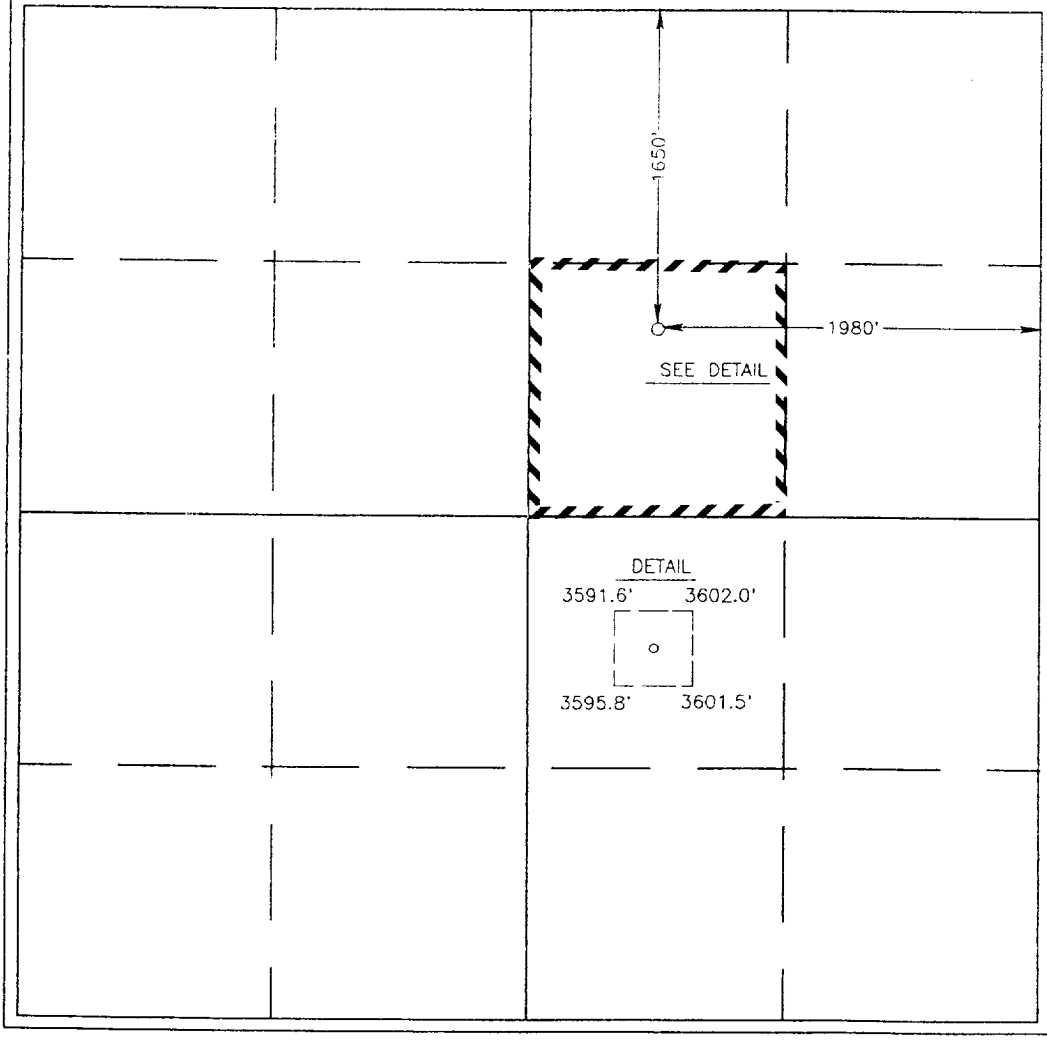
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---|---|---|---|---|---|---|---|---|---|
| G | 33 | 22 S | 32 E | | 1650 | NORTH | 1980 | EAST | LEA |

### 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 | Joint or Infill | Consolidation Code | Order No. |
|---|---|---|---|
| 40 | | | |

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

Richard L. Wright
Signature

Richard L. Wright
Printed Name

Division Operations Mgr.
Title

10-17-95
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 supervison, and that the same is true and correct to the best of my belief*

JUNE 12, 1995
Date Surveyed

DAM

Signature & Seal of Professional Surveyor

RONALD J. EIDSON
NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR

6-27-95

W.O. Num. 95-11-0920

Certificate No. JOHN W. WEST 676
RONALD J. EIDSON 3239
SHEW EIDSON 12641

EXHIBIT "A"

# APPLICATION TO DRILL

Pogo Producing Co.
Red Tank Federal #4
1650' FNL & 1980' FEL Sec 33
T22S-R32E Lea Co. NM

In response to questions asked under Section II B of Bulletin NTL-6 the following information is provided for your consideration:

1. Location:

2. Elevation above sea level:

3. Geologic name of surface formation: Quaternary Aeolian Deposits.

4. Drilling tools and associated equipment: Conventional rotary drilling rig using fluid as a circulating medium for solids removal.

5. Proposed drilling depth: 9000'

6. Estimated tops of geological markers:

| | | | |
|---|---|---|---|
| Rustler Anhydrite | 850' | Brushy Canyon | 7400' |
| Delaware Lime | 4800' | Bone Springs | 8800' |
| Cherry Canyon | 6100' | | |

7. Possible mineral bearing formations:

| | |
|---|---|
| Delaware | Oil |
| Bone Spring | Oil |

8. Casing program:

| HOLE SIZE | INTERVAL | OD CSG | WEIGHT | THREAD | COLLAR | GRADE | COND. |
|---|---|---|---|---|---|---|---|
| 17-1/2" | 0 - 800' | 13-3/8" | 54.5 | 8-R | ST&C | J-55 | New |
| 11" | 800' -4600' | 8-5/8" | 32 | 8-R | ST&C | J-55, N80 | New |
| 7-7/8" | 4600' -9000' | 5-1/2" | 17 | 8-% | LT&C | J-55, N80 | New |

APPLICATION TO DRILL

POGO Producing Co.
Red Tank Federal # 4
1650' FNL & 1980' FEL SEC. 33
T22S-R32E Lea Co. NM

9. Cementing and Setting Depth:

| | | |
|---|---|---|
| 13-3/8" | Surface Casing | Run and set 800' of 13-3/8" J-55 54.5 ST&C casing. Cement with 500 sx light cement. Tail in with 200 sx Class "C" + 2% CaCl. Circulate to surface. |
| 8-5/8" | Intermediate casing | Run and set 4600' of 8-5/8" J-55 & S-80 as follows: 300' of 32# S-80 ST&C, 4300' of 32# J-55 ST&C. Cement with 1200 sx of light cement + 10% salt, tail in with 200 sx premium cement + 1% CaCl. Circulate to surface. |
| 5-1/2" | Production casing | Run and set 9000' of J-55 & N-80 casing as follows: 2000' of 17# N-80 LT&C, 6000' of 17# J-55 LT&C, 1000' of 17# N-80 LT&C. Cement with 500 sx of light cement tail in with 400 sx premium. TC 3600'. |

10. Pressure Control Equipment: Exhibit "E". A Blow-out Preventer (no less than 900 series 3000 psi working pressure) consisting of double ram type preventer with bag type preventer. Units will be hydraulically operated. Exhibit "E-1" Choke Manifold and Closing Unit. Blind rams on top, pipe rams on bottom to correspond with size of drill pipe in use. BOP will be nippled up on 13-3/8"casing and remain on well until casing is run and cemented. BOP will be tested as well as choke manifold. BOP will be worked at least once each day while drilling and blind ram will be worked on trips when no drill pipe is in hole. Flow sensor PVT, full opening stabbing valve and upper kelley cock will be utilized. Anticipated BHP 3600 PSI and BHT125°

11. Proposed Mud Circulating System:

| DEPTH | MUD WT. | MUD VISC. | FLUID LOSS | TYPE MUD |
|---|---|---|---|---|
| 0-800' | 8.4-8.6 | 30-36 | N.C | Fresh water spud mud. Use paper to control seepage. |
| 800'-4600' | 9.8-10 | 32-36 | N.C. | Brine water with Gel to control viscosity for hole cleaning. Lime for PH control 9-10 pH. |
| 4600'-TD | 9-10 | 38-45 | 6-10cc | Brine water with Gel to control viscosity PH 9&10, control with lime. Water loss thru pay section 6-10 cc. |

Sufficient mud materials to maintain mud properties, meet lost circulation and weight increase requirments will be kept at wellsite at all times. In order to run casing and log well viscosity may have to be raised and water loss may have to be lowered.

**APPLICATION TO DRILL**

POGO PRODUCING COMPANY
RED TANK "33" FEDERAL # 4
1650' FNL & 1980' FEL SEC. 33
T22S-R32E LEA CO. NM

12. Testing, Logging, and Coring Program:

A. Mud logger will be on well from 4600' to TD.

B. DST'S will be run when shows indicate that a test is needed.

C. Open hole logs: Dual-laterolog, Gamma Ray, Caliper, CNL -Density.

D. No coreing is planned at this time.

13. Potential Hazards:

No abnormal pressures or temperature zones are expected in this well. ( nothing abnormal encountered in offset well at this depth ) Hydrogen Sulfide gas is not anticipated, however all precautions will be observed and detection equipment will be installed. No lost circulation is expected (none reported in this area). Estimated BHP 3600 PSI estimated BHT 125°. $H_2S$ contingency plan is included in this APD.

14. Anticipated spud date and duration of operation:

Road and location will begin after the BUREAU OF LAND MANAGEMENT has approved this APD. Anticipated spud date is 12/25/95. Drilling is expected to take 25 to 30 days. If production casing is run an additional 30 days will be required to complete and construct surface facilities in order to place well on production.

15. Other facets of operation:

After running casing cased hole correlation logs will be run from TD over the pay intervals. The Bone Spring pay will be perforated and stimulated. The well will be stimulated, swab tested and completed as an oil well

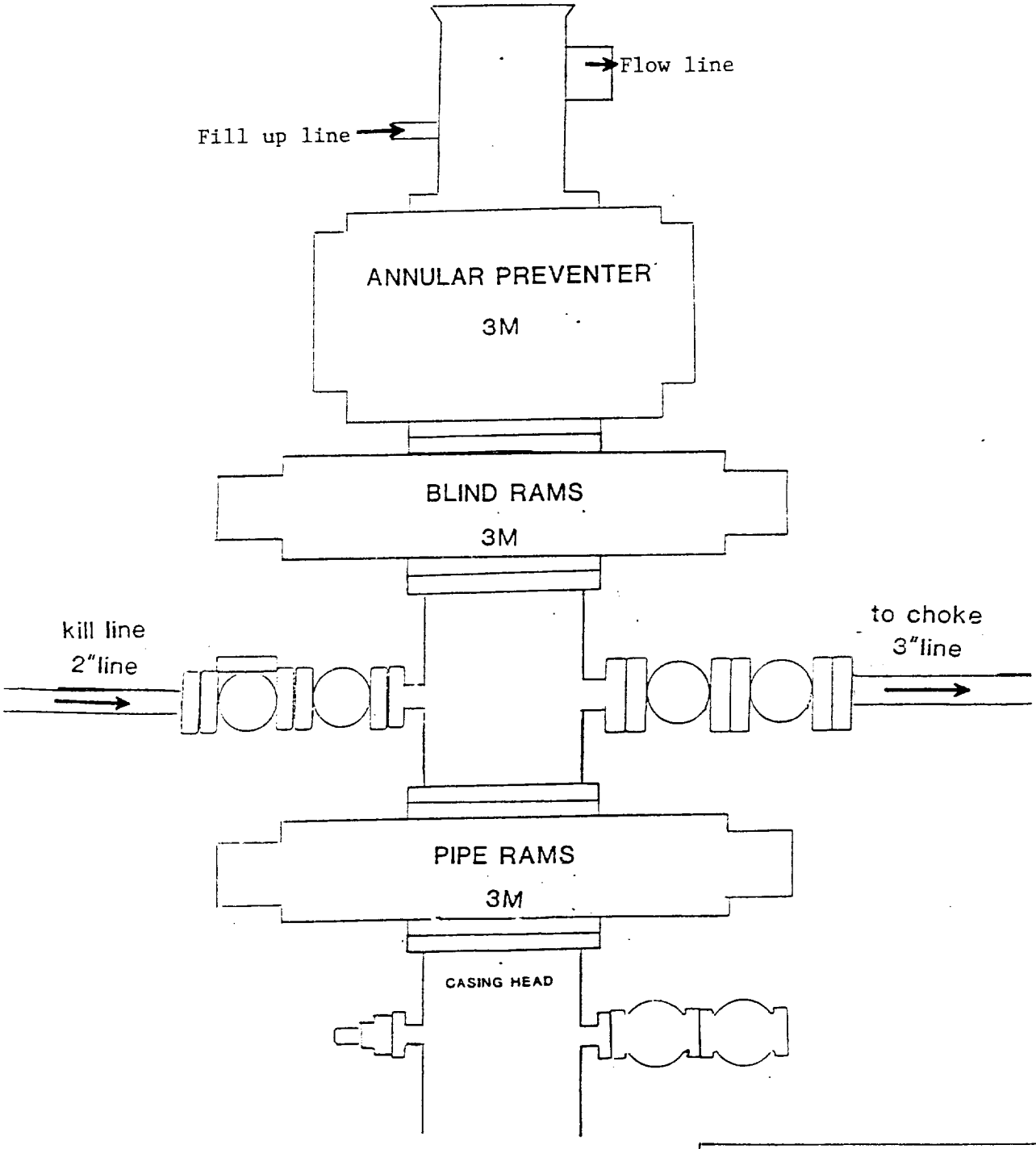



EXHIBIT "E"
B.O.P. SKETCH TO BE USED ON

POGO PRODUCING COMPANY
RED TANK "33" FEDERAL # 4
1650' FNL & 1980' FEL SEC. 33
T22S-R32E LEA CO. NM