UN. ED S PACALATANO. 9316

FORM APPROVED OMB NO. 1004-0136

APP	BUREAU O	ELAND PO	Call of the second of the second	1	6
APP		FLANU	01.00DE516	-83	5. LEASE DESIGNATION AND SERIAL NO.
	LICATION FOR		1.0A18 4/2	-61	NM-2379
a. TYPE OF WORK	LICATION FOR I	-1 11A11		5/0/	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
	RILL 🖾	AP)	NO. 30-025	-35531	
. TIPE OF WELL		DEŁ ,	<u> </u>	_	7. UNIT AGREEMENT NAME
WELL X	WELL OTHER		SINGLE (7)	MULTIPLE [
NAME OF OPERATOR	01000		ZONE X	ZONE	8. FARM OR LEASE NAME, WELL NO.
POGO PRODUCI		(RICHARD	WRIGHT 915-685-	-8140)	COVINGTON "A" FEDERAL #
ADDRESS AND TELEPHONE N					9. AFI WELL NO.
P.O. BOX 103	40 MIDLAND, TEX	AS 79702-73	40 (915-695-810	00)	·
OCATION OF WELL (Report location clearly and	in accordance wi	th any State requirements	•)	10. FIELD AND POOL, OR WILDCAT
660' FNL & 9	990' FEL SEC. 26	T225-R32F	IFA CO NM		RED TANK - BONE SPRING
t proposed prod. zo	one SAME	_	LEA CO. NM		11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA
	U.	にもみ			SEC. 26 T22S-R32E
DISTANCE IN MILES	AND DIRECTION FROM NEAR	EEST TOWN OR POS	T OFFICE*		
Approximatel	v 30 miles Fast	of CArlshad	New Mexico		12. COUNTY OR PARISH 13. STATE
OCATION TO VELDE	OBED.	1	16. NO. OF ACRES IN LEA	Dr.	EDITY CO NEW MEXICO
BOPERTY OF TRASE		60'	1280		OF ACRES ASSIGNED HIS WELL 40
DISTANCE FROM PRO	POSEN TOOLSONS		19. PROPOSED DEPTH		1.0
R APPLIED FOR, ON TE	ORILLING, COMPLETED, 13	30 '	9200 °		RY OR CABLE TOOLS
LEVATIONS (Show wit	ether DF, RT, GR, etc.)			, RO	TARY
		3735' GR.			22. APPROX. DATE WORK WILL START
			<u>.</u>		WHEN APPROVED
PIZE OF TAX		ROPOSED CASIN	G AND CEMENTING PRO	GRAM	
SIZE OF ROLE	GRADE SIZE OF CASING	WEIGHT PER FOO	OT SETTING DEPTH		QUANTITY OF CEMENT
	Conductor	NA	40'	Cement	to surface with Redi-mix.
175"	H-40 13 3/8"	48	850' 1115		
11	J-55 8 5/8"	32	4700'	1800 S	. circulate to surface.
7 7/8"	N-80-J-55 5½"	17	9200'		
	——— ———			11430 8	x. in 2 stages TOC 3700'±
. Drill 25"	hole to 40'. Set	40' of 20'	conductor nine	and comons	t to surface with Redi-mix
. Drill 17%'	hole to 8507 r		1115	and Cemen	t to surrace with Redi-mix
Sx. of C1:	1010 03 030 03 386	un and set	850° of 13 3/8"	48# H-40 S	ST&C casing. Cement with 8
		additives,	circulate cement	to surfac	ce.
. Drill 11"	hole to 4700'. R	un and set	4700' of 8 5/8"	32# J-55 9	ST&C casing Coment
1800 Sx. c	of Class "C" ceme	nt + additi	ves, circulate o	cement to s	surface
	/OII 1 1	D 1	et 92001 of 5LH	accine	C 11
. Drill 7 7/	8" hole to 9200'	 Kun and s 	166 7400 OI Ja	casing as	IOLIOWS: 2200! of 17# M O
. Drill 7 7/ LT&C, 6000	'8" hole to 9200' O' of 17# J-55 LT				
Drill 7 7/ LT&C, 6000 set at 600	0't. Cement 1st	ac, 1000 o stage with	1 1/# N-80 LT&C	casing. Ce	tollows: 2200' of 17# N-80 ment in two stages DV tool tt + additives, cement 2nd ment 3700' from surface.
1800 Sx. c	o ceme	ne , addici	ves, circulate o	ement to s	

N 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 eepen directionally, give portinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

		- Frank in	,.
	Agent Agent	g the Military of the Company	02/17/01
(This space for Federal or State office use)			
PERMIT NO.	APPROVAT. DA	SPECIAL SELF.	al sector is the
Application approval does not warrant or certify that the applicant h	solds legal or equitable title to those right	ATTACHED	

ubject lease which would entitle the applicant to conduct operations thereon.

*See Instructions On Reverse Side

Energy, Minerals and Natural Resources Depar

Form C-1UZ
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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 FR, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 51681	Pool Name RED TANK - BONE SPRING	
Property Code 009316		Property Name FON A FEDERAL	Well Number
OGRID No. 17891	POGO PROI	Rievation 3735	

Surface Location

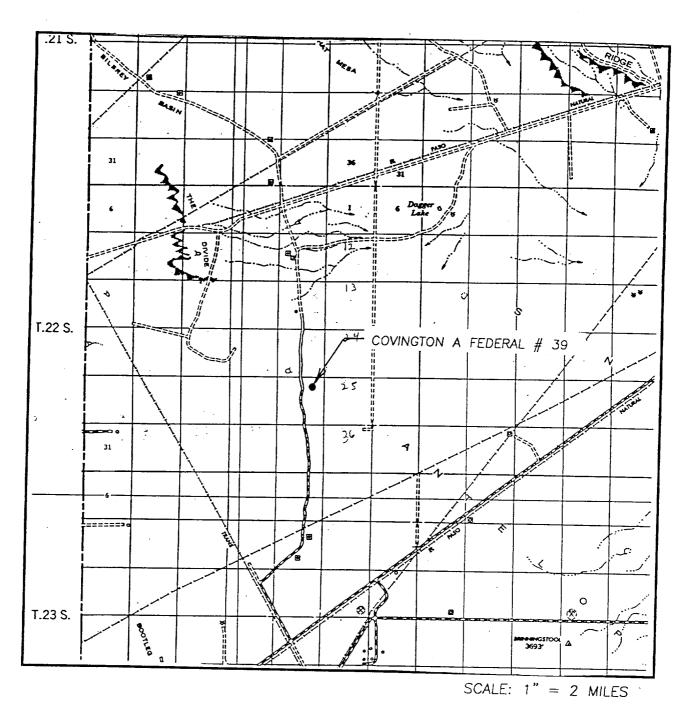
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Α	26	22-S	32-E		660	NORTH	990	EAST	LEA
									1 — · I

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 o	r Infill Co	nsolidation	Code Or	der No.	L			

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

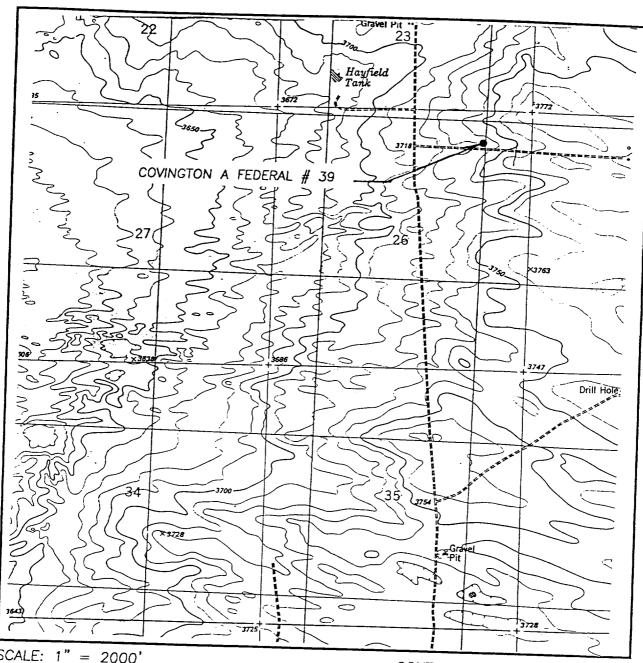
VICINITY MAP



SEC. <u>26</u> T	WP. <u>22-S</u> RGE. <u>32-E</u>
SURVEY	N.M.P.M.
COUNTY	<u>LEA</u>
DESCRIPTION	660'FNL & 990'FEL
ELEVATION_	3735
OPERATOR_	POGO PRODUCING COMPAN COVINGTON A FEDERAL

JOHN WEST SURVEYING HOBBS, NEW MEXICO (505) 393-3117

LOCALION VERFICA'I ION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10' BOOTLEG RIDGE N.M.

SEC. <u>26</u> TWP. <u>22-S</u> RGE. <u>32-E</u>
SURVEYN.M.P.M.
COUNTYLEA
DESCRIPTION 660'FNL & 990'FEL
ELEVATION 3735
OPERATOR POGO PRODUCING COMPANY LEASE COVINGTON A FEDERAL
U.S.G.S. TOPOGRAPHIC MAP BOOTLEG RIDGE N.M.

JOHN WEST SURVEYING HOBBS, NEW MEXICO (505) 393-3117

APPLICATION TO DRILL

POGO PRODUCING COMPANY COVINGTON "A" FEDERAL # 39 UNIT "A" SECTION 26 T22S-R32E LEA CO. NM

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is provided for your consideration.

- 1. <u>Location</u>: 660' FNL & 990' FEL SEC. 26 T22S-R32E LEA CO. NM
- 2. Elevation above Sea Level: 3735' GR.
- 3. Geologic name of surface formation: Quaternery Aeolian Deposits.
- 4. <u>Drilling tools and associated equipment:</u> Conventional rotary drilling rig using drilling mud as a circulating medium for solids removal from hole.
- 5. Proposed drilling depth: 9200'
- 6. Estimated tops of geological markers:

Rustler Anhydrite	800'	Brushy Canyon	7400 '
Delaware Lime	4800'	Bone Spring	88001
Cherry Canyon	6100'		2000

7. Possible mineral bearing formations:

Delaware

Oil

Bone Spring

0i1

8. Casing program:

Hole size	Interval	OD of casing	Weight	Thread	Collar	Grade
25"	0-40	20"	NA	NA	NA	Conductor
17½"	0-850! 1115	13 3/8"	48	8-R	ST&C	H-40
11"	0-4700'	8 5/8"	32	8-R	ST&C	J - 55
7 7/8"	0-9200'	5½"	17	8-R	LT&C	N-80 J-55

POGO PRODUCING COMPANY
COVINGTON "A" FEDERAL # 39
UNIT "A" SECTION 26
T22S-R32E LEA CO. NM

9. CEMENTING & SETTING DEPTH:

20"	Conductor	Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
13 3/8"	Surface	Set $\frac{850}{50}$ of 13 3/8" 48# H-40 ST&C casing. Cement with 850 Sx. of Class "C" cement + $\frac{1}{4}$ # Flocele/Sx. + 2% CaCl, circulate cement to surface.
8 5/8"	Intermediate	Set 4700' of 8 $5/8$ " $32\#$ J-55 ST&C casing. Cement with 1800 Sx. of Class "C" cement + additives, circulate cement to surface.
5½" -	-	Set 9200' of $5\frac{1}{2}$ " casing as follows: 2200' of $5\frac{1}{2}$ " 17# N-80 LT&C, 6000' of $5\frac{1}{2}$ " 17# J-55 LT&C, 1000' of $5\frac{1}{2}$ " 17# N-80 LT&C. Cement in two stages, 1st stage cement with 650 Sx. of Class "H" cement + additives, 2nd stage cement with 800 Sx. of Class "H" + additives. Set stage tool at 6000'±, estimate top of cement 3700' FS.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E". A Series 900 3000 PSI working pressure B.O.P. consting of a double ram type preventor with a bag type annular preventor. The B.O.P. unit will be hydraulically operated. Exhibit "E-1". Choke manifold and closing unit. The B.O.P. will be nippled up on 13 3/8" casing and will be operated at least once each 24 hour period while drilling and blind rams will be operated when out of hole on trips. Full opening stabbing valve and upper kelly cock will be utilized. No abnormal pressure or temperature is expected while drilling.

11. PROPOSED MUD CIRCULATING SYSTEM:

Depth	Mud Wt.	Visc.	Fluid Loss	Type Mud System
40 -850*	8.4-8.8	29-34	NC	Fresh water spud mud, use paper to control seepage and high
850-4700*	10.1-10.3	29-38	NC	viscosity sweeps to clean hole. Brine water add paper to control add lime to control pH, use high viscosity sweeps to clean hole.
4700-9200'	8.4-8.7	29-40	NC	Fresh water using high viscosity sweeps to clean hole and add Polymers to system if water loss is required.

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, or unexpected kicks. In order to run DST's, open hole logs, and casing the viscosity and/or water loss may have to be adjusted to meet these needs.

APPLICATION TO DRILL

POGO PRODUCING COMPANY
COVINGTON "A" FEDERAL # 39
UNIT "A" SECTION 26
T22S-R32E LEA CO. NM

12. TESTING, LOGGING, & COREING PROGRAM:

- A. Open hole logs: Run Dual Induction, SNP, Density, CNL, Gamma Ray, CAliper from TD to 4700'. Run Gamma Ray, Neutron from 4700' to surface.
- B. Rig up mud logger on hole at 4700' and keep on hole to TD.
- C. No cores or DST's are planned at this time.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered, $\rm H_2S$ detectors will be in place to detect any presence of unsafe levels of $\rm H_2S$. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operations of all equipment that will be used. Estimated BHP 3700 PSI & estimated BHT 145° .

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Roads and location construction will begin after the BLM approves the APD. Anticipated spud date will be as soon as pad & road construction has been completed. Drilling time for the well is estimated to take 35 days. If production casing is run an additional 30 days will be required to complete well and construct surface facilities.

15. OTHER FACETS OF OPERATION:

After running production casing, cased hole Gamma-Neutron & Collar logs will be run over all possible pay intervals. If commercial production from the Bone Spring pay is indicated it will be perforated and stimulated. Then if necessary the pay will be swab tested and completed as an oil well

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

- 1. All Company and Contract personnel admitted on location must be trained by a qualified H_2S safety instructor to the following:
 - A. Characteristics of H2S
 - B. Physical effects and hazzards
 - C. Proper use of safety equipment and life support systems.
 - D. Principle and operation of H2S detectors, warning system and briefing areas.
 - E. Evacuation procedure, routes and first aid.
 - F. Proper use of 30 minute pressure demand air pack.
- 2. H_2S Detection and Alarm Systems
 - A. H2S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.
- 3. Windsock and/or wind streamers
 - A. Windsock at mudpit area should be high enough to be visible.
 - B. Windsock at briefing area should be high enough to be visible.
 - There should be a windsock at entrance to location.
- 4. Condition Flags and Signs
 - A. Warning sign on access road to location.
 - B. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H2S present in dangerous concentration. Only emergency personnel admitted to location.
- 5. Well control equipment
 - A. See exhibit "E"
- 6. Communication
 - A. While working under masks chalkboards will be used for communication.
 - B. Hand signals will be used where chalk board is inappropriate.
 - C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephoned will be available at most drilling foreman's trailer or living quarters.
- 7. Drillstem Testing
 - A. Exhausts will be watered.
 - B. Flare line will be equipped with an electric ignitor or a propane pilot light in case gas reaches the surface.
 - C. If the location is near to a dwelling a closed DST will be performed.

- 8. Drilling contractor supervisor will be required to be familiar with the effects H2S has on tubular goods and other mechanical equipment.
- 9. If H_2S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas seperator will be brought into service along with H_2S scavengers if necessary.

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T22S-R32E LEA CO. NM

- 1. EXISTING ROADS: Area maps, Exhibit "B" is a reproduction of a County General Highway Map. Exhibit "C" is a reproduction of a USGS Topographic Map, showing existing roads and proposed roads. All existing roads will be maintained in a condition equal to or better than current conditions. Any new roads will be constructed to BLM specifications.
 - A. Exhibit "A" shows the proposed well site as staked.
 - E. From Hobbs, New Mexico take U.S. Hi-way 62-180 towards Carlsbad New Mexico go 38 miles to Co Road C-29 turn South and go 14 miles to Mills Ranch road turn East and follow road for 7.2 miles turn South go 1.3 miles turn East go .3 miles to location on the North side of road.
 - C. Lay flow lines and construct powerlines along road R-0-W to tank battery and existing powerlines, see Exhibit "F".
- 2. PLANNED ACCESS ROADS: No new roads are required.
 - A. The access road will be crowned and dirched to a 12'00" wide travel surface with a 40' right-of-way.
 - 3. Gradient on all roads will be less than 5.00%.
 - C. No turnouts will be necessary.
 - D. If needed, road will be surfaced with a minimum of 4" of caliche. This material will be obtained from a local source.
 - E. Centerline for the new access road has been flagged. Earthwork will be as required by field conditions.
 - F. Culverts in the access road will not be used. The road will be constructed to utilize low water crossings for drainage as required by the Topography.

3. LOCATION OF EXISTING WELLS IN A ONE-MILE RADIUS EXHIBIT "A-1"

- A. Water wells One approximately 1.5 miles North
- B. Disposal wells None known
- C. Drilling wells None Known
- D. Producing wells As shown on Exhibit "A-1"
- E. Abandoned wells As shown on Exhibit "A-1"

POGO PRODUCING COMPANY
COVINGTON "A" FEDERAL \$ 39
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T22S-R32E LEA CO. NM

4. If, upon completion this well is a producer Pogo Producing Company will furnish maps and/or plats showing on site facilities or off site facilities if needed. This will be accompanied with a Sundry Notice. See Exhibit for routes of flow-lines and powerlines.

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and trucked over the access roads or piped in flexible lines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction will be obtained from the excavation of drill site, if additional material is needed it will be purchased from a local source and transported over the access route as shown on Exhibit "C".

7. METHODS OF HANDLING WASTE MATERIAL:

- A. Drill cuttings will be disposed of in the reserve pit.
- B. All trash, junk and other waste material will be contained in trash cages or bins to prevent scattering. When the job is completed all contents will be removed and disposed of in a approved sanitary land fill.
- C. Salts remaining after completion of well will be picked up by supplier including broken sacks.
- D. Sewage from living quarters will drain into holes with a minium depth of 10'. These holes will be covered during drilling and will be back filled upon completion. A Ports-John will be provided for the rig crews. This equipment will be properly maintained during the drilling operations and removed upon completion of the well.
- E. Remaining drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry enough for breaking out. In the event that drilling fluids do not evaporate in a reasonable time they will be hauled off by transports and be disposed of at a state approved disposal facility. Later pits will be broken out to speed drying. Water produced during testing will be put in reserve pits. Any oil or condensate produced will be stored in test tanks until sold and hauled from the site.

8. ANCILLARY FACILITIES:

A. No camps or airstrips to be constructed.

POGO PRODUCING COMPANY
COVINGTON "A" FEDERAL # 39
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9. WELL SITE LAYOUT

- A. Exhibit "D" shows location and rig layout.
- B. This exhibit indicates proposed location of reserve and trash pits; and living facilities.
- C. Mud pits in the active circulating system will be steel pits and the reserve pit is proposed to be unlined, unless subsurface condition encountered during pit construction indicate that lining is needed for lateral containment of fluids.
- D. If needed, the reserve pit is to be lined with PVC or polyethylene line. The pit liner will be 6 mils thick. Pit liner will extend a minimum, 2'00" over the reserve pits dikes where the liner will be anchored down.
- E. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

10. PLANS FOR RESTORATION OF SURFACE

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

However, in either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.B as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be recountered to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which are not required for production facilities.

POGO PRODUCING COMPANY
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T22S-R32E LEA CO. NM

11. OTHER INFORMATION

- A. Topography consists of sand dunes with a slight regional dip to the West. Soil supports native grasses mesquites and miniature caks.
- B. The surface and minerals are owned by THE BUREAU OF LAND MANAGEMENT THE U.S. DEPARTMENT OF INTERIOR. The surface is leased out to ranchers for grazing of livestock.
- C. An Archeological survey will be conducted and copies will be sent to the BLM., Carlsbad Resource Area in Carlsbad, N.M.
- D. There are no dwellings or habitation within three miles of this location.

12. OPERATOR'S REPRESENTATIVE

Field representative to contact regarding compliance with surface use plan:

Before Construction:

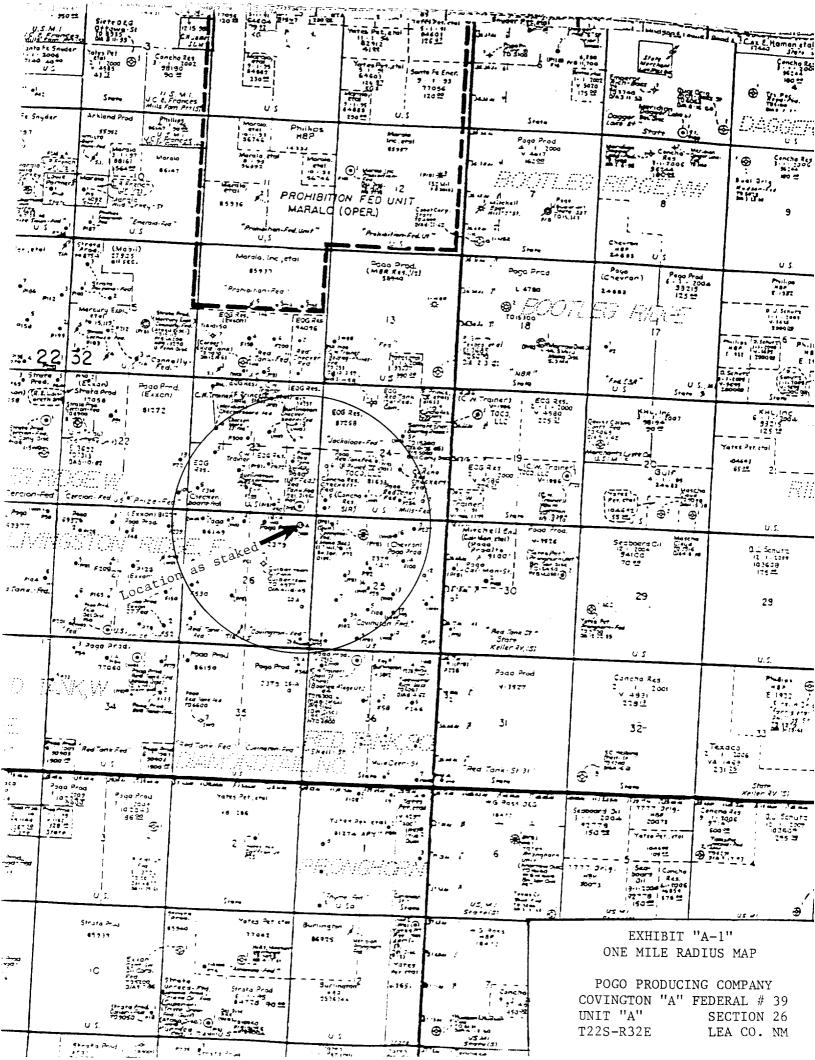
Tierra Exploration Inc. P.O. Box 2188 Hobbs, NM 88241 Office Phone: 505-391-8503 Joe T. Janica

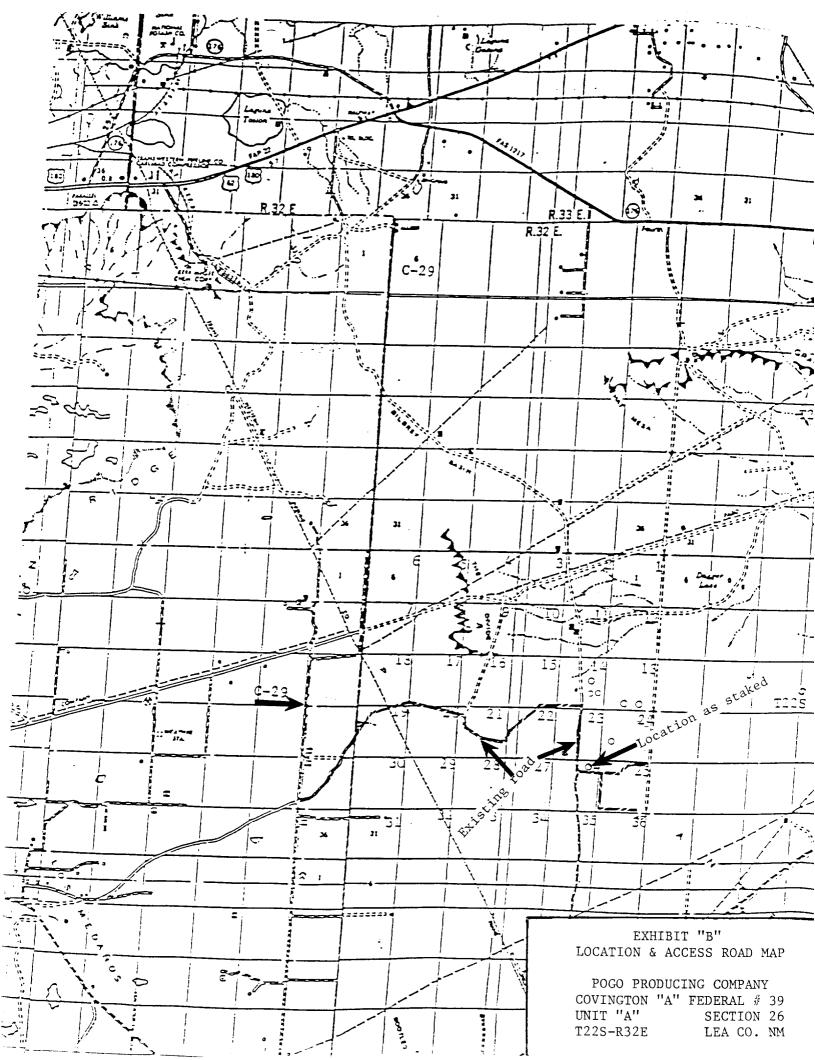
During and after Construction

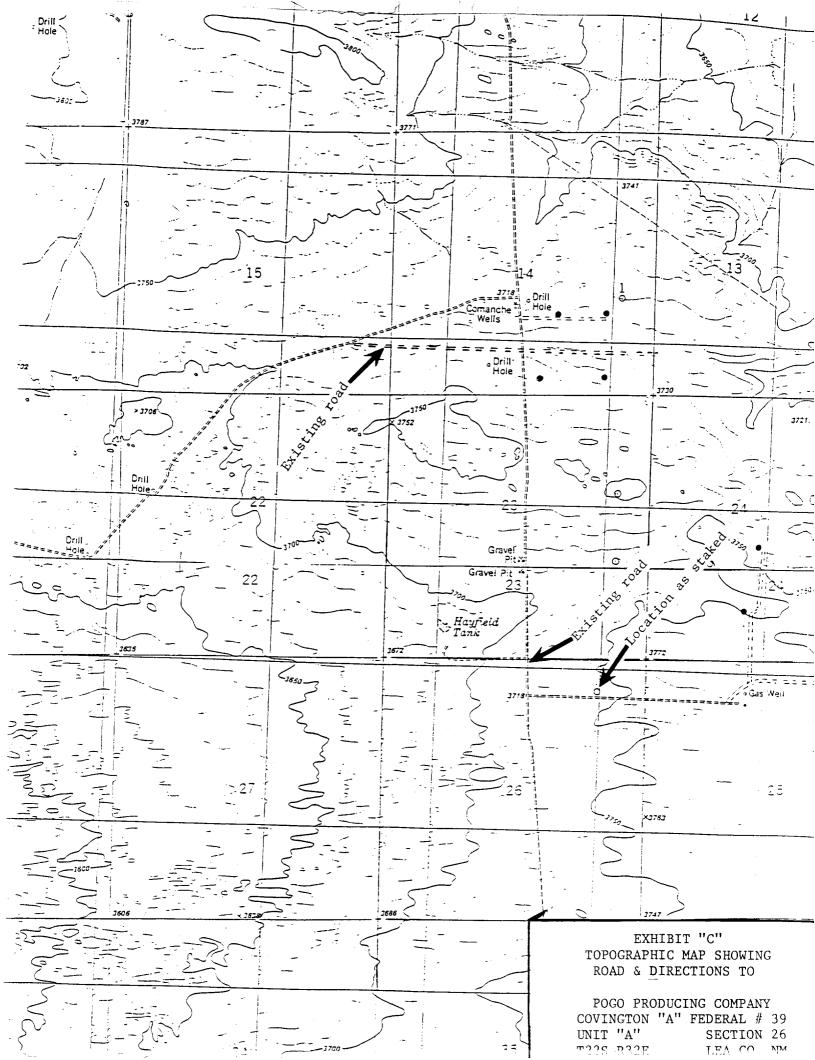
Pogo Producing Company
P.O. Box 10340
Midland, Tx 79702-7340
Office Phone: 915-685-8140
Mr. Richard Wright

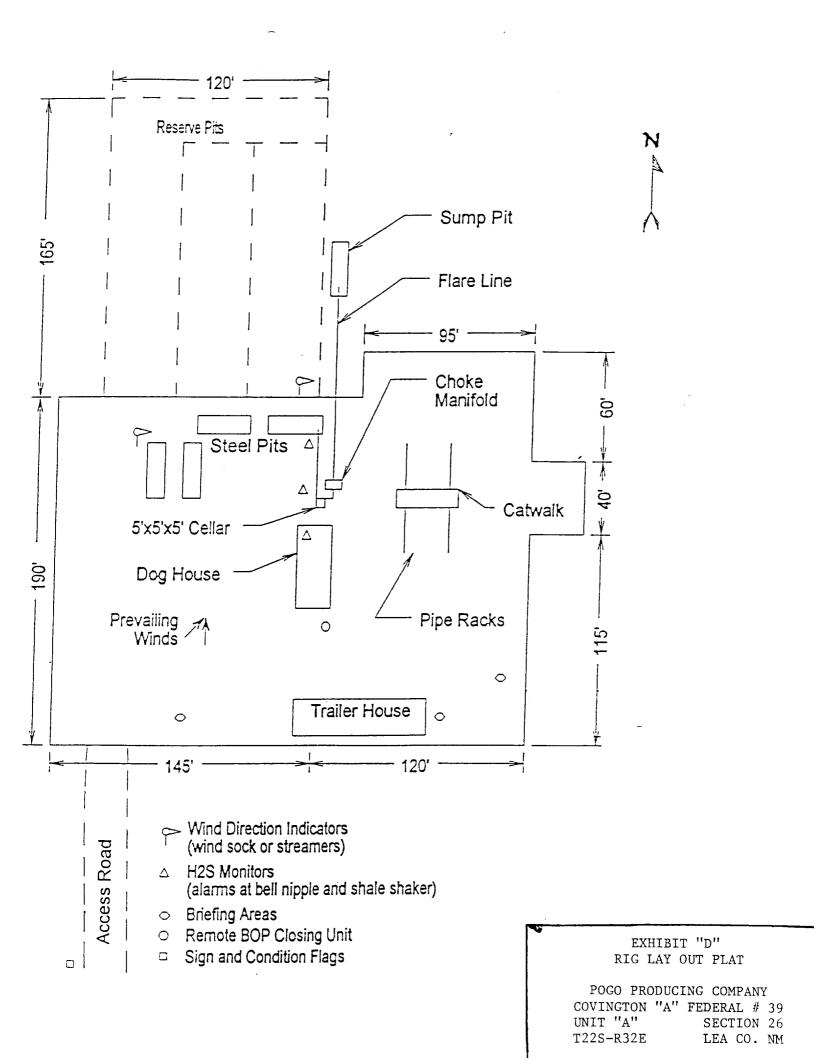
13. CERTIFICATION: I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are to the best of my knowledge, are true and correct; and that the work associated with the operations proposed herein will be performed by Pogo Producing Company, its' Contractors/Subcontractors in conformity with this plan and the terms and conditions underwhich it is approved. This statement is subject to the provision of 18 U.S.C. 1001 for the filing of a false statement.

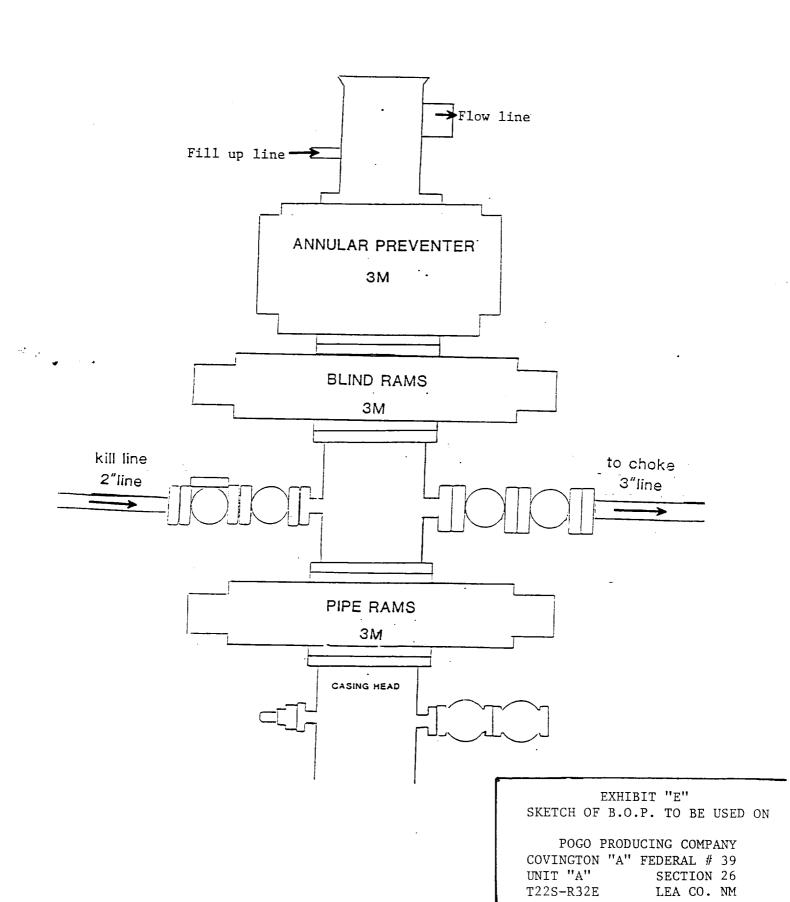
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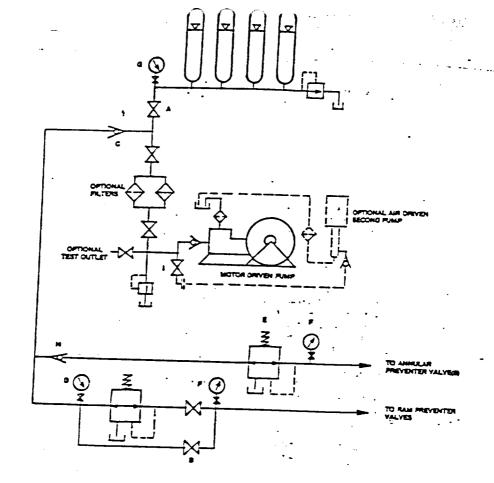




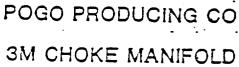


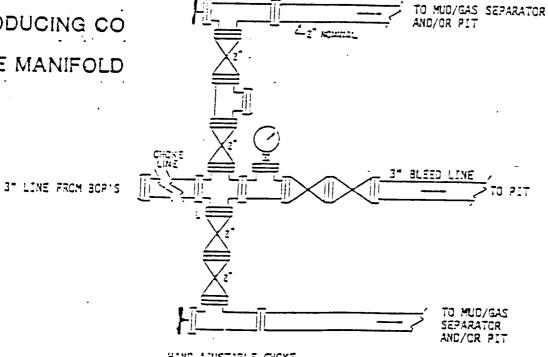






HAND AJUSTABLE CHOKE





HAND AJUSTABLE CHOKE

EXHIBIT "E-1" CHOKE MANIFOLD & CLOSING UNIT

POGO PRODUCING COMPANY COVINGTON "A" FEDERAL # 39 UNIT "A" SECTION 26 T22S-R32E LEA CO. NM

