

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

817 (Other instructions on reverse side)

800

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒GAS WELL ☐OTHER ☐SINGLE ZONE ☒MULTIPLE ZONE ☐

2. NAME OF OPERATOR

POGO PRODUCING COMPANY

(RICHARD WRIGHT 915-685-8140)

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 10340 MIDLAND, TEXAS 79702-7340 (915-695-8100)

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface
330' FSL & 990' FWL SEC. 13 T22S-R32E LEA CO. NM
At proposed prod. zone SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 30 miles East of Carlsbad New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drilg. unit line, if any)

750'

16. NO. OF ACRES IN LEASE

600

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1000'

19. PROPOSED DEPTH

10,200'

20. ROTARY OR CABLE TOOLS

ROTARY

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

3715' GR.

Carlsbad Controlled Water Basin

22. APPROX. DATE WORK WILL START*

WHEN APPROVED

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor	NA	40'	Cement to surface with Redi-mix.
17½"	H-40 13 3/8"	48	1000'	1000 Sx. circulate cement to surface
12¼"	S-80, J-55 8 5/8"	32	4700'	1800 Sx. " " " "
7 7/8"	N-80, J-55 5½"	17	10,200'	1200 Sx. in two stages T.C. 3000'

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17½" hole to 1000'. Run and set 1000' of 13 3/8" 48# H-40 ST&C casing. Cement with 1000 Sx. of Class "C" cement + 2% CaCl₂ + ½# Flocele/Sx., circulate cement to surface.
3. Drill 12¼" hole to 4700'. Run and set 4700' of 8 5/8" 32# ST&C casing as follows: 500' of 8 5/8" 32# S-80 ST&C, 4200' of 8 5/8" 32# J-55 ST&C casing. Cement with 1800 Sx. of Class "C" cement + 2% CaCl₂ + ½# Flocele/Sx., circulate cement to surface.
4. Drill 7 7/8" hole to 10,200'. Run and set 10,200' of 5½" casing as follows: 3200' of 5½" 17# N-80 LT&C, 5000' of 5½" 17# J-55 LT&C, 2000' of 5½" 17# N-80 LT&C casing. Cement in two stages, set stage tool at 7000'±. Cement with 1200 Sx. of Class "H" cement + additives estimate top of cement 3000' from surface.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL REGULATIONS
ATTACHED

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. If proposal is to enter program, if any.

SIGNED

TITLE Agent

DATE 05/09/01

(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
CONDITIONS OF APPROVAL, IF ANY:OPER. OGRID NO. 17891
PROPERTY NO. 9350
POOL CODE 51683
EFF. DATE 1-30-02
API NO. 30-025-35819

APPROVED BY

/S/ JOE G. LARA

TITLE

FIELD MANAGER

DATE

JAN 25 2002

*See Instructions On Reverse Side

APPROVAL FOR 1 YEAR

RECEIVED
2011 MAY 10 AM 8:57
FBI NEW YORK OFFICE

DISTRICT I
P.O. Box 1988, Hobbs, NM 88241-1988

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

DISTRICT III
1000 Rio Brazos Rd., Artesia, 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-35819	Pool Code 51683	Pool Name RED TANK - BONE SPRING
Property Code 9350	Property Name W.B.R. FEDERAL	Well Number 8
OGRID No. 17891	Operator Name POGO PRODUCING COMPANY	Elevation 3715'

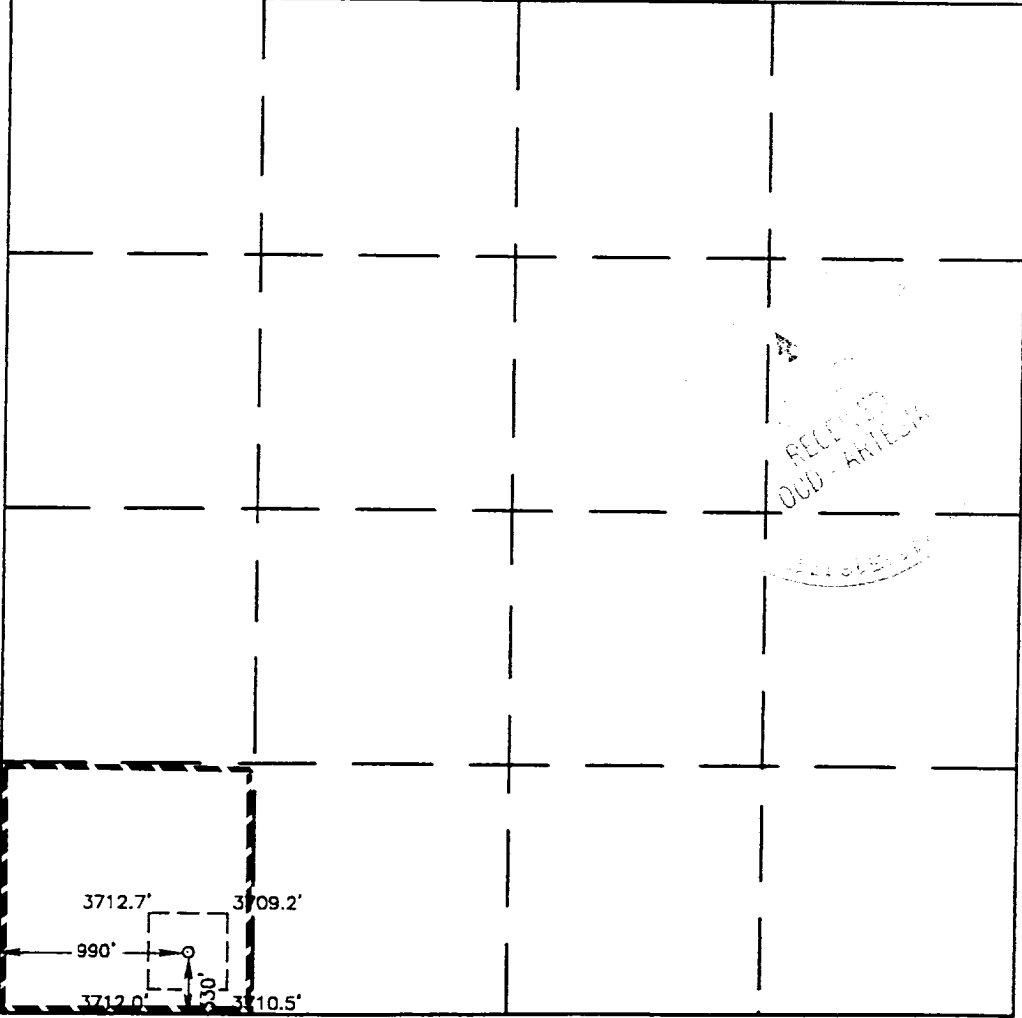
Surface Location

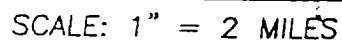
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	13	22-S	32-E		330	SOUTH	990	WEST	LEA

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	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

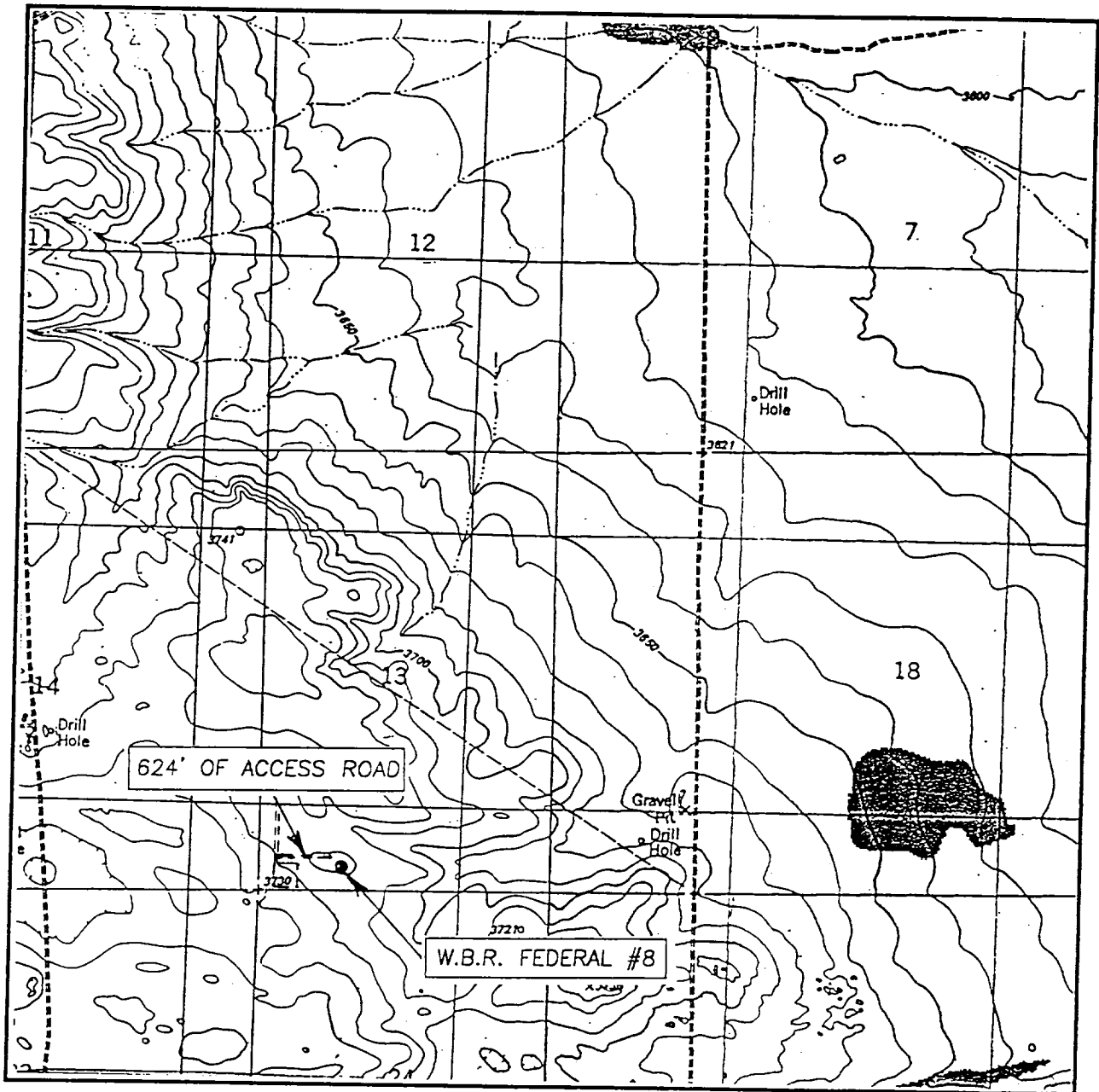
	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <i>Joe T. Janica</i> Signature Joe T. Janica Printed Name Agent Title 05/09/01 Date SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat 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 belief. MAY 02, 2001 Date Surveyed Signature & Seal of Professional Surveyor <i>Ronald J. Kidson</i> 5/03/01 01-11-0516 Certificate No. RONALD J. KIDSON 3239 GARY KIDSON 12841
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LEASE _____ W.B.R. FEDERAL

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

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'

THE DIVIDE, N.M.

SEC. 13 TWP. 22-S RGE. 32-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 330' FSL & 990' FWL

ELEVATION 3715'

OPERATOR POGO PRODUCING COMPANY

LEASE W.B.R. FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
THE DIVIDE, N.M.

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

APPLICATION TO DRILL

POGO PRODUCING COMPANY
WBR FEDERAL # 8
UNIT "M" SECTION 13
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. Location: 330' FSL & 990' FWL SEC. 13 T22S-R32E LEA CO. NM
2. Elevation above Sea Level: 3715' GR.
3. Geologic name of surface formation: Quaternary Aeolian Deposits.
4. Drilling tools and associated equipment: Conventional rotary drilling rig using drilling mud as a circulating medium for solids removal from hole.
5. Proposed drilling depth: 10,200'
6. Estimated tops of geological markers:

Rustler Anhydrite	900'	Cherry Canyon	6000'
Basal Anhydrite	4500'	Brushy Canyon	7000'
Delaware	4842'	Bone Spring	8730'
Ramsey Sand	4920'	1st Bone Spring Sand	9850'
7. Possible mineral bearing formations:

Delaware	Oil	Brushy Canyon	Oil
Cherry Canyon	Oil	Bone Spring	Oil
8. Casing program:

Hole size	Interval	OD of casing	Weight	Thread	Collar	Grade
25"	0-40	20"	NA	NA	NA	Conductor
17½"	0-1000'	13 3/8"	48	8-R	ST&C	H-40
12¼"	0-4700'	8 5/8"	32	8-R	ST&C	J-55 S-80
7 7/8"	0-10,200'	5½"	17	8-R	LT&C	N-80 J-55

APPLICATION TO DRILL

POGO PRODUCING COMPANY

WBR FEDERAL # 8

UNIT "M" SECTION 13

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 1000' of 13 3/8" 48# H-40 ST&C casing. Cement with 1000 Sx. of Class "C" cement + additives circulate 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 + 2% CaCl ₂ + 1/4# Flocele/Sx. circulate cement to surface.
5 1/2"	Production	Set 10,200' of 5 1/2" casing as follows: 3200' of 5 1/2" 17# N-80 LT&C, 5000' of 5 1/2" 17# J-55 LT&C, 2000' of 5 1/2" 17# N-80 LT&C. Cement in two stages, DV Tool at 7000'±, cement with 1200 Sx. of Class "H" Premium Plus cement + additives, estimate top of cement 3000' from surface.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" shows a 1500 Series 5000 PSI working pressure B.O.P. consisting of an annular bag type preventor, middle blind rams and bottom pipe rams. The B.O.P. will be nipped up on the 13 3/8" casing and tested to API specifications. The B.O.P. will be operated at least once in each 24 hour period and the blind rams will be operated when drill pipe is out of hole on trips. Full opening stabbing valve and upper kelly cock will be utilized. Exhibit "E-1" shows a hydraulically operated closing unit and a 2" 5000 PSI choke manifold with dual adjustable chokes. No abnormal pressures or temperatures are expected.

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISC.	FLUID LOSS	TYPE MUD SYSTEM
40-1000'	8.4-8.7	29-38	NC	Fresh water mud add paper to control seepage and use high viscosity sweeps to clean hole.
1000-4700'	10.2-10.3	29-38	NC	Brine water using high viscosity sweeps to clean hole.
4700-10,200'	8.4-8.8	29-39	NC	Fresh water using high viscosity sweeps to clean hole. water loss may be needed to run logs and/or casing, if needed use a polymer system to accomplish this

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 viscosity and/or water loss may have to be adjusted to meet these needs.

APPLICATION TO DRILL

POGO PRODUCING COMPANY

WBR FEDERAL # 8

UNIT "M" SECTION 13

T22S-R32E LEA CO. NM

12. Testing, Logging and Coring Program:
- A. Open hole logs: Dual Induction, SNP, LDT, Sonic, Caliper & Gamma Ray from TD to 4700'. Run Gamma Ray, Neutron from 4700' to surface.
 - B. Mud logger will be put on hole at 4700'± and remain on hole to TD.
 - C. No DST's or cores are planned at this time
13. Potential Hazards:
- No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered, H₂S detectors will be in place to detect any presence. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used. Estimated BHP 5000 PSI, estimated BHT 175°.
14. Anticipated Starting Date and Duration of Operation:
- Road and location construction will begin after BLM approval of APD. Anticipated spud date as soon as approved. Drilling expected to take 40 days. If production casing is run an additional 30 days will be required to complete and construct surface facilities.
15. Other Facets of Operations:
- After running casing, cased hole gamma ray neutron collar logs will be run from total depth over possible pay intervals. The Bone Spring pay will be perforated and stimulated. The well will be swab tested and potentialized as an oil well.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

1. All Company and Contract personnel admitted on location must be trained by a qualified H₂S safety instructor to the following:
 - A. Characteristics of H₂S
 - B. Physical effects and hazards
 - 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. H₂S 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.
 - C. 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.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

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

SURFACE USE PLAN

POGO PRODUCING COMPANY

WBR FEDERAL # 8

UNIT "M" SECTION 13

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.
 - B. From Hobbs, New Mexico take U.S. Hi-way 62-180 West toward Carlsbad New Mexico go 38 miles to Cr-29 turn South go 14 miles to Mills Ranch road, turn East follow road 8 ± miles turn South go by well # 2 turn East go 660' to location.
 - C. Lay flowlines & construct powerlines along roads or along existing R-O-W's.
2. PLANNED ACCESS ROADS: Approximately 600' of new road will be constructed.
 - A. The access road will be crowned and ditched to a 12'00" wide travel surface with a 40' right-of-way.
 - B. Gradient on all roads will be less than 5.00%.
 - C. Turn outs will be constructed where 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 - Water well approximately 1 mi 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"

SURFACE USE PLAN

POGO PRODUCING COMPANY

WBR FEDERAL # 8

UNIT "M" SECTION 13

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.

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 minimum depth of 10'. These holes will be covered during drilling and will be back filled upon completion. A Potts-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.

SURFACE USE PLAN

POGO PRODUCING COMPANY
WBR FEDERAL # 8
UNIT "M" SECTION 13
T22S-R32E LEA CO. NM

9. WELL SITE LAYOUT

- A. Exhibit "D" shows the proposed well site layout.
- B. This exhibit indicated proposed location of reserve and sump pits and living facilities.
- C. Mud pits in the active circulating system will be steel pits & 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 polyethelene. 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 7.3 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 contoured 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.

SURFACE USE PLAN

POGO PRODUCING COMPANY

WBR FEDERAL # 8

UNIT "M" SECTION 13

T22S-R32E LEA CO. NM

11. OTHER INFORMATION:

- A. Topography consists of sand dunes with a slight dip toward the West. Deep sandy soil supports native grasses, mesquite, and shinnery Oak.
- B. Surface is owned by the Bureau of Land Management U.S. Department of Interior. Surface is used for grazing of livestock and is leased to ranchers for this purpose.
- C. An archaeological survey will be conducted and copies of the survey will be filed in the Carlsbad Office of The Bureau of Land Management.
- D. There are no dwellings or habitation within three miles of this location.

12. OPERATORS REPRESENTATIVE:

Before construction:

TIERRA EXPLORATION INC.
P.O. BOX 2188
HOBBS, NEW MEXICO 88241
OFFICE PHONE 505-391-8503
JOE T. JANICA

During and after construction:

POGO PRODUCING COMPANY
P.O. BOX 10340
MIDLAND, TEXAS 79702-7340
OFFICE PHONE 915-685-8100
MR. RICHARD WRIGHT 915-685-8140

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, true and correct; and that the work associated with the operations proposed herein will be performed by Pogo Producing company, its contractors/subcontractors is in the conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provision of U.S.C. 1001 for the filing of a false statement.

NAME :

DATE :

TITLE :

05/09/01

Agent

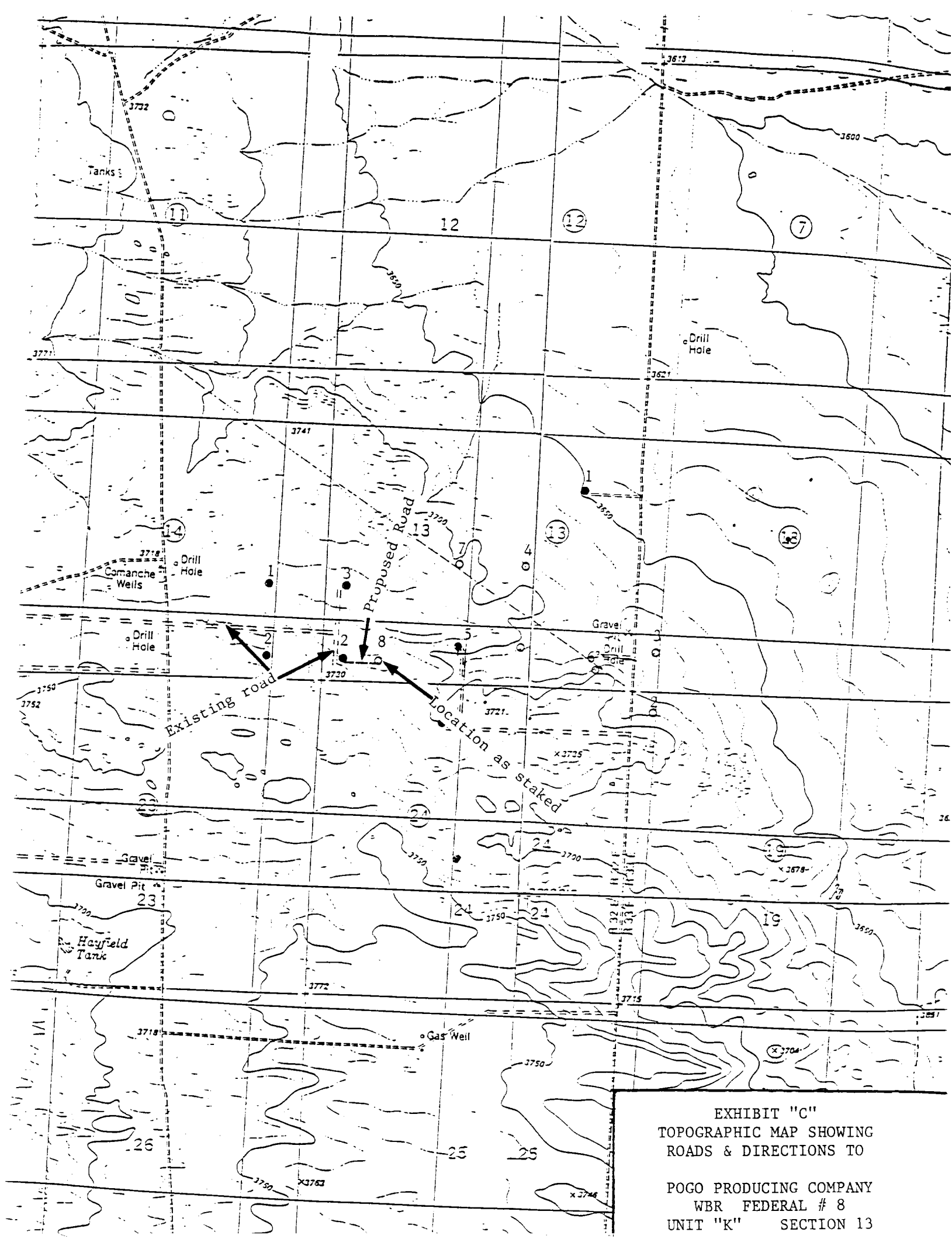
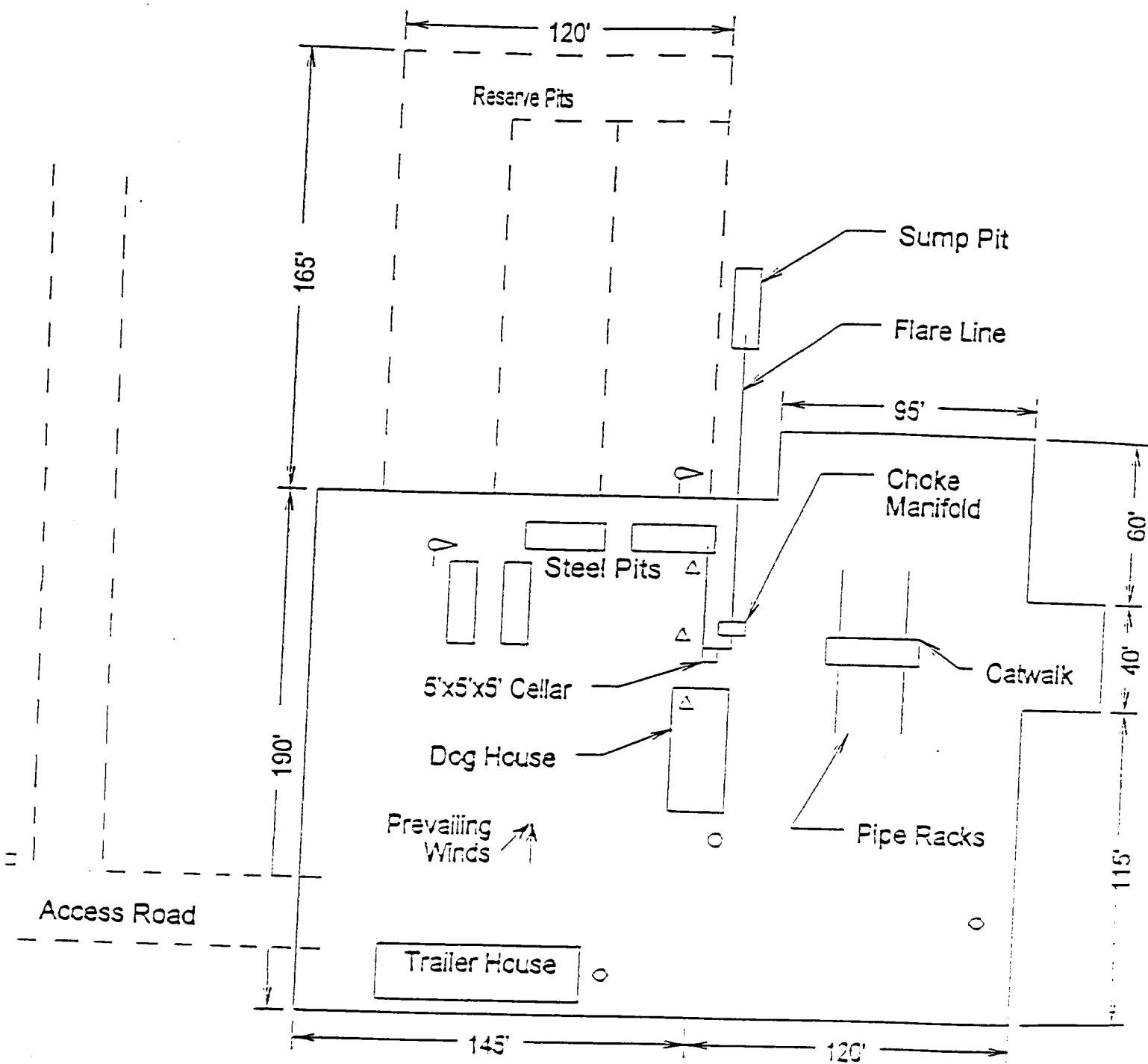


EXHIBIT "C"
TOPOGRAPHIC MAP SHOWING
ROADS & DIRECTIONS TO

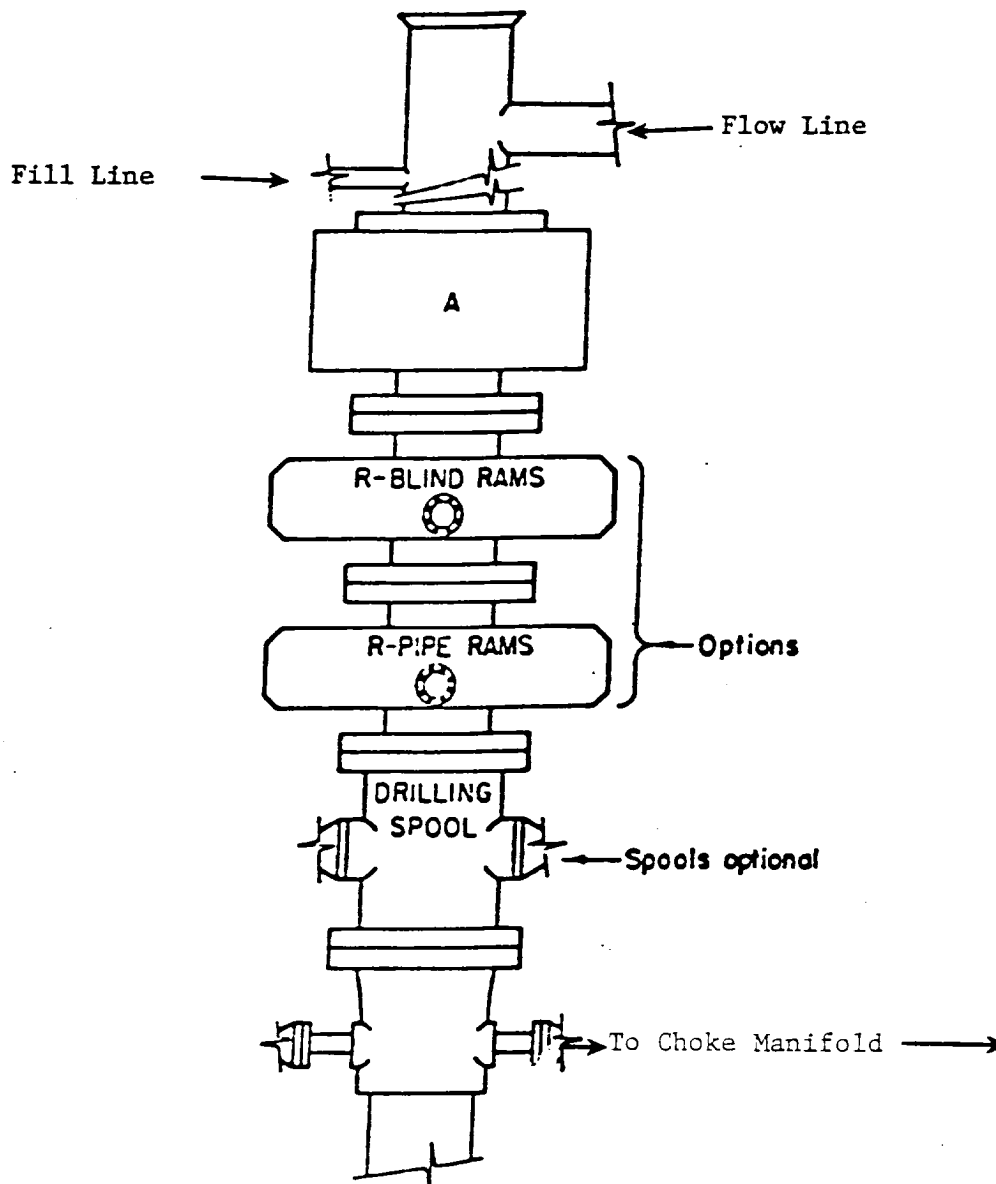
POGO PRODUCING COMPANY
WBR FEDERAL # 8
UNIT "K" SECTION 13



- Wind Direction Indicators (wind sock or streamers)
- △ H₂S Monitors (alarms at bell nipple and shale shaker)
- Briefing Areas
- Remote BOP Closing Unit
- Sign and Condition Flags

EXHIBIT "D"
RIG LAYOUT PLAT

POGO PRODUCING COMPANY
WBR FEDERAL # 8
UNIT "K" SECTION 13
T22S-R32E LEA CO. NM



ARRANGEMENT SRRA

1500 Series
5000# Working Pressure

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

POGO PRODUCING COMPANY
WBR FEDERAL # 8
UNIT "K" SECTION 13
T22S-R32E LEA CO. NM

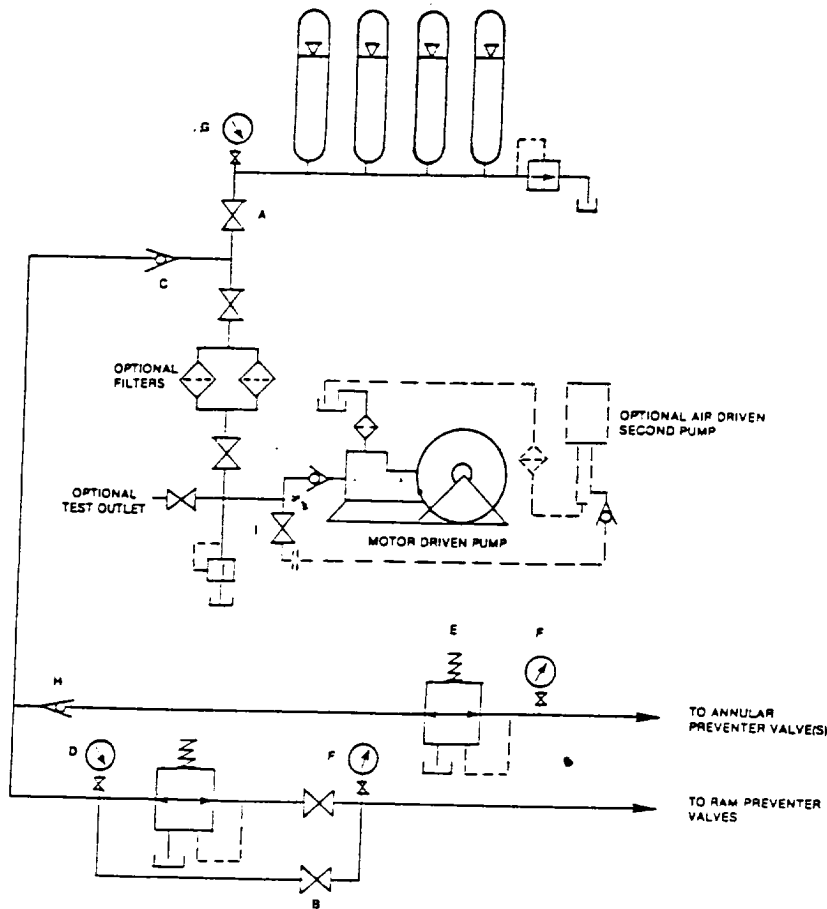


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

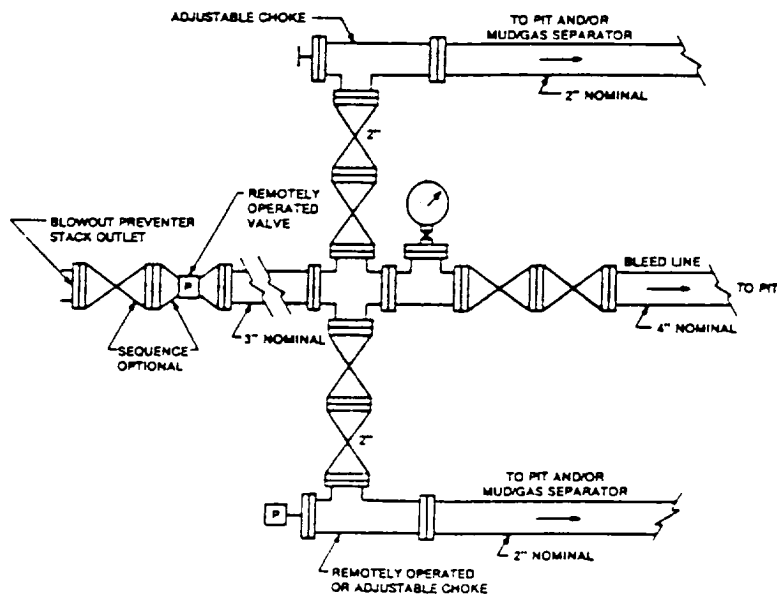


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.

EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

POGO PRODUCING COMPANY
WBR FEDERAL § 8
UNIT "K" SECTION 13
T22S-R32E LEA CO. NM