

POGO PRODUCING CO

Form S-4

December 21, 2005

As filed with the Securities and Exchange Commission on December 21, 2005

Registration No. 333-

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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## Form S-4

### REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

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## Pogo Producing Company

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**1311**

(Primary Standard Industrial  
Classification Code Number)

**74-1659398**

(I.R.S. Employer  
Identification No.)

**5 Greenway Plaza, Suite 2700  
Houston, Texas 77046-0504  
(713) 297-5000**

(Address, including ZIP code, and telephone number,  
including area code, of the registrant's principal  
executive offices)

**Michael J. Killelea  
Senior Vice President and General Counsel  
5 Greenway Plaza, Suite 2700  
Houston, Texas 77046-0504  
(713) 297-5000**

(Name, address, including ZIP code, and telephone  
number, including area code, of agent for service)

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**Copy to:**

**Stephen A. Massad**

**Baker Botts L.L.P.**

**910 Louisiana**

**One Shell Plaza**

**Houston, Texas 77002-4995**

**(713) 229-1475**

**Fax: (713)-229-7775**

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**Approximate date of commencement of proposed sale of the securities to the public:** As soon as practicable following the effectiveness of this Registration Statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the Securities Act), check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

### CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee(1)
6.875% Senior Subordinated Notes due 2017	\$ 500,000,000	100 %	\$ 500,000,000	\$ 53,500

(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(f) of the Securities Act of 1933.

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with section 8(a) of the Securities Act or until the registration statement shall become effective on such date as the Commission, acting pursuant to said section 8(a), may determine.**

**SUBJECT TO COMPLETION, DATED DECEMBER 21, 2005**

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting any offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

**PROSPECTUS**

**\$500,000,000**

## **Pogo Producing Company**

**Offer to Exchange  
registered**

**6.875% Senior Subordinated Notes due 2017  
for all outstanding**

**6.875% Senior Subordinated Notes due 2017**



**The Exchange Notes:**

- will be freely tradable and otherwise substantially identical to the Outstanding Notes;
- will accrue interest at 6.875% per annum, payable semiannually on each April 1 and October 1; and
- will not be listed on any securities exchange or on any automated dealer quotation system, but may be sold in the over-the-counter market, in negotiated transactions or through a combination of those methods.

**The exchange offer:**

- expires at 5:00 p.m., New York City time, on \_\_\_\_\_, 2006, unless sooner terminated or extended; and
- is not conditioned upon any minimum principal amount of Outstanding Notes being tendered.

**You should note that:**

- we will exchange all Outstanding Notes that are validly tendered and not validly withdrawn for an equal principal amount of Exchange Notes that we have registered under the Securities Act of 1933;
- you may withdraw tenders of Outstanding Notes at any time prior to the expiration of the exchange offer;
- the exchange of Outstanding Notes for Exchange Notes in the exchange offer should not be a taxable event for U.S. federal income tax purposes; and
- the exchange offer is subject to customary conditions, which we may waive in our sole discretion.

**Please consider carefully the risk factors beginning on page 11 of this prospectus before participating in the exchange offer.**

\_\_\_\_\_  
Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

\_\_\_\_\_  
The date of this prospectus is \_\_\_\_\_, 2005.

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This prospectus is part of a registration statement we filed with the Securities and Exchange Commission. You should rely only on the information we have provided or incorporated by reference in this prospectus. We have not authorized anyone to provide you with additional or different information. We are not making an offer of these securities in any jurisdiction where the offer is not permitted. You should assume that the information in this prospectus is accurate only as of the date on the front of this prospectus and that any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference.

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Each broker-dealer that receives Exchange Notes pursuant to this exchange offer in exchange for securities acquired for its own account as a result of market-making or other trading activities must acknowledge that it will deliver a prospectus in connection with any resale of such new securities. The letter of transmittal attached as an exhibit to the registration statement of which this prospectus forms a part states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act of 1933, as amended. This prospectus, as it may be amended or supplemented from time to time, may be used by such a broker-dealer in connection with resales of such new securities. We have agreed that, starting on the date of the completion of the exchange offer to which this prospectus relates for up to 180 days following completion of the exchange offer (or such earlier date as eligible broker-dealers no longer own Exchange Notes), we will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any document we file at the Public Reference Room of the SEC, 100 F Street, N.E., Washington, D.C. 20549.

Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. Our SEC filings are also available to the public on the SEC's website at <http://www.sec.gov> and on our website at <http://www.pogoproducing.com>. However, the information on our website does not constitute a part of this prospectus. Reports and other information concerning us can also be inspected at the offices of the

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New York Stock Exchange, 20 Broad Street, New York, New York 10005. Our common stock is listed and traded on the New York Stock Exchange under the trading symbol PPP.

This prospectus is part of a registration statement we have filed with the SEC relating to the Notes. As permitted by SEC rules, this prospectus does not contain all of the information we have included in the registration statement and the accompanying exhibits and schedules we file with the SEC. You may refer to the registration statement, exhibits and schedules for more information about us and these securities.

The information included in the documents described below is incorporated by reference and is considered to be a part of this prospectus. The most recent information that we file with the SEC automatically updates and supersedes older information. We are incorporating by reference into this prospectus (excluding any information that was furnished to (and not filed with) the SEC) the following documents (File No. 001-07792):

- our Annual Report on Form 10-K for the fiscal year ended December 31, 2004, which was filed with the SEC on March 7, 2005;
- our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2005, June 30, 2005 and September 30, 2005, which were filed with the SEC on May 5, 2005, August 2, 2005 and November 2, 2005, respectively; and
- our Current Reports on Form 8-K filed with the SEC on January 25, 2005, January 31, 2005, March 22, 2005, March 24, 2005, June 20, 2005, July 12, 2005, August 1, 2005, August 15, 2005, August 18, 2005, August 25, 2005, September 20, 2005, September 22, 2005, September 29, 2005, November 1, 2005 and December 19, 2005.

Until the termination of the exchange offer described in this prospectus, we will also incorporate by reference all documents that we may file in the future under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, excluding any information therein that was furnished to (and not filed with) the SEC. In addition, all documents filed by us pursuant to the Exchange Act after the date of the initial registration statement and prior to effectiveness of the registration statement shall be deemed to be incorporated by reference into this prospectus.

We will provide you without charge a copy of any and all documents that have been incorporated by reference into this prospectus, except that exhibits to such documents will not be provided unless they are specifically incorporated by reference into such documents. Requests for copies of any such document should be directed to:

Pogo Producing Company  
5 Greenway Plaza, Suite 2700  
Houston, Texas 77046  
Attention: Corporate Secretary  
Telephone number is (713) 297-5000

To obtain timely delivery of any of our documents, you must make your request to us no later than \_\_\_\_\_, 2006. Unless sooner terminated, the exchange offer will expire at 5:00 p.m., New York City time, on \_\_\_\_\_, 2006. The exchange offer can be extended by us in our sole discretion, but we currently do not intend to extend the expiration date. Please read "The Exchange Offer" for more detailed information.

### **SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

The statements included or incorporated by reference in this prospectus include forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements included or incorporated by reference herein, other than statements of historical fact, are forward-looking statements. In some cases, you can identify our use of forward-looking statements by the



words anticipate, estimate, expect, objective, projection, forecast, goal, and similar expressions. Such forward-looking statements include, without limitation, the statements herein and therein regarding the timing of future events regarding our operations and our subsidiaries, and the statements regarding our anticipated future financial position and cash requirements. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that such expectations will prove to have been correct. We disclose the important factors that could cause actual results to differ materially from our expectations in cautionary statements included in this prospectus and in other filings by us with the SEC. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and other factors set forth or incorporated by reference in this prospectus. These factors include:

- the cyclical nature of the oil and natural gas industries;
- our ability to successfully and profitably find, produce and market oil and natural gas;
- uncertainties associated with the United States and worldwide economies;
- current and potential governmental regulatory actions in countries where we operate;
- substantial competition from larger companies;
- our ability to implement cost reductions;
- our ability to acquire additional oil and natural gas reserves;
- operating interruptions (including leaks, explosions, fires, mechanical failure, unscheduled downtime, transportation interruptions, and spills and releases and other environmental risks);
- fluctuations in foreign currency exchange rates in areas of the world where we conduct operations;
- uncertainties and difficulties associated with the integration and operation of the properties of Northrock Resources Ltd., which we recently acquired; and
- covenant restrictions in our debt agreements.

Many of those factors are beyond our ability to control or predict. We caution you against putting undue reliance on forward-looking statements or projecting any future results based on such statements or present or prior earnings levels.

All subsequent written and oral forward-looking statements attributable to us and persons acting on our behalf are qualified in their entirety by the cautionary statements contained in this section and elsewhere in this prospectus.

## PROSPECTUS SUMMARY

*This summary highlights information contained elsewhere in this prospectus. It is not complete and may not contain all of the information that you should consider before deciding whether to participate in this exchange offer. We encourage you to read this prospectus and the documents incorporated by reference in their entirety before participating in the exchange offer, including the information set forth under the heading Risk Factors. Unless the context requires otherwise or unless otherwise noted, when we use the terms Pogo, we, us, or our, we are referring to Pogo Producing Company and its subsidiaries.*

### **Pogo Producing Company**

We explore for, develop and produce crude oil and natural gas. We are headquartered in Houston, Texas, and our business activities are primarily focused in North America, both onshore and offshore. We own approximately 3,500,000 gross leasehold acres in major oil and gas provinces in North America.

In January 2005, we announced several strategic initiatives aimed at strengthening and repositioning Pogo, including a potential sale of our Thailand and Hungary operations. In the summer of 2005, we closed the sale of our Thailand properties for \$820 million and our Hungary properties for approximately \$9 million. On September 27, 2005, we also took a critical next step in our strategy to make Pogo a more focused North American oil and gas producer by acquiring all of the stock of Northrock Resources Ltd., Unocal Corporation's indirect wholly-owned Canadian subsidiary, for approximately \$1.7 billion. Northrock's exploitation and development activities are concentrated in Saskatchewan and Alberta with key exploration plays in Canada's Northwest Territories, British Columbia and the Alberta Foothills. As of June 30, 2005, Northrock owned 604,219 MMcfe of estimated proven reserves on approximately 300,000 net acres, plus approximately 1.1 million net acres of undeveloped leasehold. For additional information on our acquisition of Northrock, please refer to our Current Reports on Form 8-K filed September 29, 2005 and December 19, 2005 and our Quarterly Report on Form 10-Q for the period ended September 30, 2005.

The summary of our historical operations in this prospectus reflects the presentation of our Thailand and Hungary operations as discontinued and, unless otherwise indicated, includes only our continuing operations as of the dates presented. Due to the Northrock acquisition closing late in the third quarter of 2005, it did not materially affect our results of operations for that quarter or the nine months ended September 30, 2005.

For the year ended December 31, 2004, and the nine months ended September 30, 2005, our revenues were \$987.7 million and \$824.9 million, and net income (including net income from discontinued operations) was \$261.8 million and \$636.2 million, respectively.

During 2004, we grew our hydrocarbon asset base and achieved full reserves replacement of our worldwide production for the thirteenth consecutive year. In 2004, our average daily production of liquid hydrocarbons was 33,750 bbls, and average daily production of natural gas was 244.3 MMcf. For the nine months ended September 30, 2005, our average daily production of liquid hydrocarbons was 27,929 bbls, and average daily production of natural gas was 245.1 MMcf. We drilled 276 gross wells during 2004, successfully completing 94%, or 259, of those wells. During the first nine months of 2005, we drilled 209 gross wells with 197 successfully completed, a 94% success rate.

### **Domestic Onshore Operations**

Our onshore domestic operations are concentrated in the Permian Basin area in New Mexico and West Texas, the Panhandle of Texas, the San Juan Basin in New Mexico and the Wind River Basin in Wyoming, which we collectively refer to as our Western U.S. region, as well as in the Texas and Louisiana gulf coasts, which we refer to as our Gulf Coast region. Domestic onshore reserves as of

December 31, 2004 accounted for approximately 78% of our total proven reserves, with the Gulf Coast region and the Western U.S. region contributing approximately 23% and 55%, respectively, of our total proven reserves. During 2004, approximately 78% of our natural gas production and 28% of our oil and condensate production was from our domestic onshore properties, contributing approximately 55% of our consolidated oil and gas revenues.

In our Western U.S. region, we have actively explored in West Texas and New Mexico for more than 25 years and, during this period, participated in the discovery or development of over 30 oil and natural gas fields. In 2004, we participated in the drilling of 159 wells in these areas, 97% of which were successfully completed. In the nine months ended September 30, 2005, we participated in drilling 142 wells in our Western U.S. region, of which 136, or 96%, were successfully completed. We believe that, during the past decade, we have been one of the more active companies drilling for oil and natural gas in the Permian Basin of West Texas and southeastern New Mexico. During 2005, we planned to drill approximately 150 wells in various known fields and exploratory prospects in the Permian Basin, Texas Panhandle and San Juan Basin and approximately 65 wells in the Wind River Basin.

In the Gulf Coast region, we are actively exploring for, acquiring and developing oil and natural gas reserves in the coastal onshore areas of Louisiana and Texas. During 2004, we participated in drilling 54 wells in this region, of which 49, or 91%, were successfully completed. In the nine months ended September 30, 2005, we participated in drilling 15 wells in this region, of which 14, or 93%, were successfully completed.

### **Domestic Offshore Operations**

We maintain a significant presence in the Gulf of Mexico, where approximately 22% of our proven reserves were located as of December 31, 2004. During 2004, approximately 22% of our natural gas production and 72% of our oil and condensate production came from our domestic offshore properties in the Gulf of Mexico, contributing approximately 45% of our consolidated oil and gas revenues. We participated in drilling 12 wells in this region during 2004, of which ten, or 83%, were successfully completed. In the nine months ended September 30, 2005, we participated in drilling 6 wells in this region, of which 2, or 33%, were successfully completed. At September 30, 2005, we held interests in 89 federal and state Gulf of Mexico lease blocks offshore from Louisiana and Texas.

### **Operations Outside North America**

We have conducted international exploration activities since the late 1970s in numerous oil and natural gas areas throughout the world. We currently hold three petroleum exploration licenses covering approximately 1,043,000 acres offshore of New Zealand. We are acquiring and reprocessing 3-D and 2-D seismic data in this region with a goal of committing to drill multiple exploration wells as early as the first half of 2006. In addition, in October 2005, we were granted a license concession in the Phu Khanh Basin on Vietnam's coastal shelf, covering approximately 1,480,000 million acres and abutting the eastern coastline of Vietnam, northeast of Ho Chi Minh City. We plan to commence a 3-D seismic acquisition program in this region beginning as early as the second half of 2006. Our international explorationists continue to evaluate other opportunities that are consistent with our international exploration strategy and expertise.

Our principal executive offices are located at 5 Greenway Plaza, Suite 2700, Houston, Texas 77252. Our main telephone number is (713) 297-5000. We maintain a website on the Internet at <http://www.pogoproducing.com>. The information on our website is not incorporated by reference into this prospectus.

**The Exchange Offer**

On September 23, 2005, we completed a private offering of \$500 million principal amount of 6.875% Senior Subordinated Notes due 2017, which we refer to as the Outstanding Notes. We sold the Outstanding Notes in transactions exempt from or not subject to the registration requirements under the Securities Act. Accordingly, the Outstanding Notes are subject to transfer restrictions. In general, you may not offer or sell the Outstanding Notes unless either they are registered under the Securities Act or the offer or sale is exempt from or not subject to registration under the Securities Act and applicable state securities laws.

In connection with the sale of the Outstanding Notes, we entered into an Exchange and Registration Rights Agreement with the initial purchasers of the Outstanding Notes. We agreed to use our reasonable best efforts to have the registration statement of which this prospectus is a part declared effective by the SEC within 180 days after the issue date of the Outstanding Notes and to commence and complete the exchange offer no later than 45 days after the registration statement becomes effective. In the exchange offer, you are entitled to exchange your Outstanding Notes for notes registered under the Securities Act with substantially identical terms, except that the existing transfer restrictions will be removed, which we refer to as the Exchange Notes. You should read the discussion under the headings Terms of the Exchange Notes and Description of the Exchange Notes for further information about the Exchange Notes. We refer to the Outstanding Notes and the Exchange Notes (separately or collectively as the context indicates) as the Notes.

We have summarized the terms of the exchange offer below. You should read the discussion under the heading The Exchange Offer for further information about the exchange offer and resale of the Exchange Notes. **If you fail to exchange your Outstanding Notes for Exchange Notes in the exchange offer, the existing transfer restrictions will remain in effect and the market value of your Outstanding Notes likely will be adversely affected because of a smaller float and reduced liquidity.**

Expiration Date	Unless sooner terminated, the exchange offer will expire at 5:00 p.m., New York City time, on _____, 2006 or such later date and time to which we extend it.
Withdrawal of Tenders	You may withdraw your tender of Outstanding Notes at any time prior to the expiration date. We will return to you, without charge, promptly after the expiration or termination of the exchange offer any Outstanding Notes that you tendered but that were not accepted for exchange.
Conditions to the Exchange Offer	<p>We will not be required to accept Outstanding Notes for exchange if, in our reasonable judgment, the exchange offer, or the making of any exchange by a holder of Outstanding Notes, would:</p> <ul style="list-style-type: none"> <li>• violate applicable law or any applicable interpretation of the staff of the SEC; or</li> <li>• be impaired by any action or proceeding that has been instituted or threatened in any court or by or before any governmental agency with respect to the exchange offer.</li> </ul> <p>The exchange offer is not conditioned upon any minimum aggregate principal amount of Outstanding Notes being tendered.</p> <p>Please read The Exchange Offer Conditions to the Exchange Offer for more information about the conditions to the exchange offer.</p>

Procedures for Tendering  
Outstanding Notes

If you wish to participate in the exchange offer, you must complete, sign and date the letter of transmittal that we are providing with this prospectus and mail or deliver the letter of transmittal, together with the Outstanding Notes, to the exchange agent prior to the expiration date. If your Outstanding Notes are held through The Depository Trust Company (DTC), you may effect delivery of the Outstanding Notes by book-entry transfer.

In the alternative, if your Outstanding Notes are held through DTC, you may participate in the exchange offer through DTC's automated tender offer program. If you tender under this program, you will agree to be bound by the letter of transmittal as though you had signed it.

By signing or agreeing to be bound by the letter of transmittal, you will represent to us that, among other things:

- any Exchange Notes that you receive will be acquired in the ordinary course of your business;
- you have no arrangement or understanding with any person to participate in the distribution of the Outstanding Notes or the Exchange Notes within the meaning of the Securities Act of 1933;
- you are not our affiliate, as defined in Rule 405 of the Securities Act, or, if you are our affiliate, you will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable;
- if you are not a broker-dealer, you are not engaged in, and do not intend to engage in, the distribution of the Exchange Notes;
- if you are a broker-dealer, you will receive Exchange Notes in exchange for Outstanding Notes that you acquired for your own account as a result of market-making activities or other trading activities, and you will deliver a prospectus in connection with any resale of such Exchange Notes;
- if you are a broker-dealer, you did not purchase the Outstanding Notes to be exchanged for the Exchange Notes from us; and
- you are not acting on behalf of any person who could not truthfully and completely make the foregoing representations.

Special Procedures for Beneficial  
Owners

If you own a beneficial interest in Outstanding Notes that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender the Outstanding Notes in the exchange offer, please contact the registered holder as soon as possible and instruct it to tender on your behalf and to comply with our instructions described in this prospectus.

Guaranteed Delivery  
Procedures

You must tender your Outstanding Notes according to the guaranteed delivery procedures described in The Exchange Offer Guaranteed Delivery Procedures if any of the following apply:

- you wish to tender your Outstanding Notes but they are not immediately available;

- you cannot deliver your Outstanding Notes, the letter of transmittal or any other required documents to the exchange agent prior to the expiration date; or
- you cannot comply with the applicable procedures under DTC's automated tender offer program prior to the expiration date.

**Consequences of Failure to Exchange Your Outstanding Notes**

Subject only to limited exceptions applicable to persons to whom the exchange offer is not available, if you do not exchange your Outstanding Notes in the exchange offer, you will no longer be entitled to registration rights. You will not be able to offer or sell the Outstanding Notes unless they are later registered, sold pursuant to an exemption from registration or sold in a transaction not subject to the Securities Act or state securities laws. Other than in connection with the exchange offer or as specified in the Exchange and Registration Rights Agreement, we are not obligated to, nor do we currently anticipate that we will, register the Outstanding Notes under the Securities Act. See The Exchange Offer Consequences of Failure to Exchange.

**United States Federal Income Tax Consequences**

We believe that the exchange of Outstanding Notes for Exchange Notes in the exchange offer should not be a taxable event for U.S. federal income tax purposes. Please read Certain United States Federal Income Tax Considerations.

**Use of Proceeds**

We will not receive any cash proceeds from the issuance of Exchange Notes in the exchange offer.

**Plan of Distribution**

All broker-dealers who receive Exchange Notes in the exchange offer have a prospectus delivery obligation. Based on SEC no-action letters, broker-dealers who acquired the Outstanding Notes as a result of market-making or other trading activities may use this exchange offer prospectus, as supplemented or amended, in connection with the resales of the Exchange Notes. We have agreed to make this prospectus available to any broker-dealer delivering a prospectus as required by law in connection with the resales of the Exchange Notes for up to 180 days following the completion of the exchange offer. Broker-dealers who acquired the Outstanding Notes from us may not rely on SEC staff interpretations in no-action letters and instead must comply with the registration and prospectus delivery requirements of the Securities Act, including being named as selling noteholders, in order to resell the Outstanding Notes or the Exchange Notes.

**The Exchange Agent**

We have appointed The Bank of New York Trust Company, N.A. as exchange agent for the exchange offer. Please direct questions and requests for assistance, requests for additional copies of this prospectus or of the letter of transmittal and requests for the notice of guaranteed delivery to the exchange agent. If you are not tendering under DTC's automated tender offer program, you should send the letter of transmittal and any other required documents to the exchange agent as follows:

**The Bank of New York Trust Company, N.A.**

(212) 815-3687

***By Overnight Delivery, Courier or Mail:  
(overnight delivery or courier recommended;  
if by mail, registered or certified mail recommended)***

The Bank of New York Trust Company, N.A.  
Corporate Trust Operations Reorganization Unit  
101 Barclay Street 7 East  
New York, New York 10286  
Attn: David Mauer

***Registered or Certified Mail:***

The Bank of New York Trust Company, N.A.  
Corporate Trust Operations Reorganization Unit  
101 Barclay Street 7 East  
New York, New York 10286  
Attn: David Mauer

***By Facsimile Transmission (eligible institutions only):***

(212) 298-1915

Confirm by Telephone:

(212) 815-3687

### Terms of the Exchange Notes

The Exchange Notes will be freely tradable and otherwise substantially identical to the Outstanding Notes. The Exchange Notes will not have registration rights or provisions for additional interest. The Exchange Notes will evidence the same debt as the Outstanding Notes, and the Outstanding Notes and the Exchange Notes will be governed by the same indenture. The Outstanding Notes and the Exchange Notes will vote together as a single class under the indenture.

Issuer	Pogo Producing Company.
Exchange Notes Offered	\$500 million principal amount of registered 6.875% Senior Subordinated Notes due 2017.
Maturity Date	October 1, 2017.
Interest Payment Dates	April 1 and October 1 of each year, commencing on April 1, 2006.
Ranking and Subordination	<p>The Exchange Notes will be our unsecured senior subordinated obligations and will rank:</p> <ul style="list-style-type: none"> <li>• equally in right of payment with our outstanding 8¼% Senior Subordinated Notes due 2011, our 6.625% Senior Subordinated Notes due 2015 and any of our future senior subordinated debt that does not expressly provide that it is subordinated to the Notes;</li> <li>• senior in right of payment to any of our future debt that expressly provides that it is subordinated to the Notes;</li> <li>• subordinated in right of payment to any of our existing and future senior debt, and structurally subordinated to all of our future secured debt to the extent of the value of the assets securing such debt; and</li> <li>• structurally subordinated to all indebtedness and other liabilities (including trade payables and lease obligations) of our subsidiaries that do not guarantee the Notes.</li> </ul>
Possible Subsidiary Guarantees	None of our subsidiaries have guaranteed the Notes. If our existing or future domestic restricted subsidiaries guarantee any of our other indebtedness, however, they will be required by the indenture governing the Notes to jointly and severally guarantee the Notes on a senior subordinated basis. We do not intend to cause any subsidiary to take any action that would require it to guarantee the Notes.
Sinking Fund	None.
Optional Redemption	At any time prior to October 1, 2008, we may redeem up to 35% of the aggregate original principal amount of the Notes, using the net proceeds of specified equity offerings, at a redemption price equal to 106.875% of the principal amount of the Notes, plus accrued and unpaid interest to the date of redemption.



	<p>Prior to October 1, 2010, we are entitled to redeem the Notes as a whole or in part at a redemption price equal to the principal amount of the Notes plus the Applicable Premium and accrued and unpaid interest to the date of redemption. The term <i>Applicable Premium</i> is defined under <i>Description of the Exchange Notes Certain Definitions</i>.</p>
Change of Control	<p>On or after October 1, 2010, we may redeem all or a portion of the Notes at the redemption prices listed in <i>Description of the Exchange Notes Optional Redemption</i>, plus accrued and unpaid interest to the date of redemption.</p> <p>If we experience specific kinds of change of control, we would be required to offer to purchase each holder's Notes, in whole or in part, at a price equal to 101% of the principal amount, together with accrued and unpaid interest to the date of purchase.</p>
Certain Covenants	<p>Covenants contained in the indenture that governs the Notes limit our ability and the ability of our restricted subsidiaries, among other things, to:</p> <ul style="list-style-type: none"> <li>• incur additional indebtedness;</li> <li>• pay dividends or make other distributions on stock, repurchase stock or redeem subordinated obligations;</li> <li>• make investments;</li> <li>• create liens on assets;</li> <li>• sell assets or sell capital stock of our subsidiaries;</li> <li>• enter into agreements that restrict the ability of our subsidiaries to pay dividends or make other payments to us or our restricted subsidiaries;</li> <li>• merge or consolidate; and</li> <li>• enter into transactions with affiliates.</li> </ul> <p>All of these covenants are subject to important exceptions and qualifications that are described under <i>Description of the Exchange Notes</i>.</p> <p>If the Notes receive an investment grade rating from either Standard &amp; Poor's Rating Services or Moody's Investors Service, Inc. and no default or event of default under the indenture has occurred and is continuing, many of these covenants will be terminated.</p>
Exchange Offer; Registration Rights	<p>If we fail to complete the exchange offer as required by the Exchange and Registration Rights Agreement, we will be obligated to pay additional interest to holders of the Outstanding Notes. See <i>Description of the Exchange Notes Registration Rights; Special Interest</i> for more information regarding your rights as a holder of Outstanding Notes.</p>

Absence of a Market for the Notes

There is no existing trading market for the Notes, and there can be no assurance regarding:

- any future development or liquidity of a trading market for the Notes;
- your ability to sell your Notes at all; or
- the price at which you may be able to sell your Notes.

Further trading prices of the Notes will depend on many factors, including:

- prevailing interest rates;
- our operating results and financial condition; and
- the market for similar securities.

We do not intend to apply for the Notes to be listed on any securities exchange or to arrange for any quotation system to quote them.

**Pogo Ratio of Earnings to Fixed Charges**

The following table sets forth our consolidated ratio of earnings to fixed charges for the periods shown.

	Nine Months Ended September 30,		Year Ended December 31,				
	2005	2004	2004	2003	2002	2001	2000
Ratio of earnings to fixed charges(a)	7.4x	14.0x	12.9x	8.3x	2.4x	1.7x	2.2x

(a) The ratio of earnings to fixed charges was computed by dividing earnings by fixed charges. For this purpose, earnings are defined as income from continuing operations before income taxes plus fixed charges excluding capitalized interest and minority interest. Fixed charges consist of interest expense.

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## RISK FACTORS

*In considering whether to participate in the exchange offer, you should consider carefully all of the information that we have included or incorporated by reference into this prospectus. In particular, you should consider carefully the risk factors described below.*

### Risks Relating to the Exchange Offer

*If you fail to exchange your Outstanding Notes, the existing transfer restrictions will remain in effect and the market value of your Outstanding Notes may be adversely affected because they may be more difficult to sell.*

If you fail to exchange your Outstanding Notes for Exchange Notes under the exchange offer, then you will continue to be subject to the existing transfer restrictions on the Outstanding Notes. In general, the Outstanding Notes may not be offered or sold unless they are registered or exempt from registration under the Securities Act and applicable state securities laws. Except in connection with this exchange offer or as required by the Exchange and Registration Rights Agreement, we do not intend to register resales of the Outstanding Notes.

The tender of Outstanding Notes under the exchange offer will reduce the principal amount of the Outstanding Notes outstanding. Due to the corresponding reduction in liquidity, this may have an adverse effect upon, and increase the volatility of, the market price of any Outstanding Notes that you continue to hold following completion of the exchange offer.

### Risks Related to Our Business

*Natural gas and oil prices fluctuate widely, and low prices could have a material adverse impact on our business.*

Our revenues, profitability and future growth depend substantially on prevailing prices for natural gas and oil. Oil and natural gas market prices have historically been seasonal, cyclical and volatile. The average prices that we currently receive for our production are significantly higher than their historic average. A future drop in oil and natural gas prices could have a material adverse effect on our cash flow and profitability. A sustained period of low prices could have a material adverse effect on our operations and financial condition and could also result in a reduction in funds available under our credit facility and associated prepayments. Lower prices may also reduce the amount of natural gas and oil that we can economically produce.

Among the factors that can cause oil and natural gas price fluctuation are:

- the level of consumer product demand;
- weather conditions;
- domestic and foreign governmental regulations;
- the price and availability of alternative fuels;
- political conditions in natural gas and oil producing regions;
- the domestic and foreign supply of natural gas and oil, including the decisions of the Organization of Petroleum Exporting Countries relating to export quotas;
- the price of foreign imports; and
- overall economic conditions.

***Our acquisition of Northrock and other acquisition activities may not be successful.***

We acquired Northrock from Unocal Corporation and certain of its affiliates on September 27, 2005. Integration of Northrock's operations with ours will be a complex, time consuming and costly process involving the following risks and difficulties, among others:

- Northrock's properties may not produce revenues, earnings or cash flow at anticipated levels;
- we may have exposure to unanticipated liabilities and costs, some of which may materially exceed our estimates;
- because our management team does not have experience with Northrock's operations, we will be substantially dependent on Northrock's existing key employees, some or all of whom may be difficult to retain or to integrate with our company;
- we may experience material difficulties in integrating personnel with diverse backgrounds and a differing organizational culture;
- we may lose customers, suppliers, partners and agents of Northrock;
- the Northrock acquisition may disrupt our ongoing business, distract management, divert resources and make it difficult to maintain our current business standards, controls and procedures, including internal controls and procedures required under the Sarbanes-Oxley Act of 2002; and
- we may experience material difficulties and additional costs in consolidating corporate and administrative functions.

As a result, we may be unable to integrate Northrock successfully and realize anticipated economic, operational and other benefits in a timely manner, which could result in substantial costs and delays or other operational, technical or financial problems.

As part of our growth strategy, we may make additional acquisitions of businesses and properties. However, suitable acquisition candidates may not be available on terms and conditions we find acceptable, and acquisitions pose substantial risks to our business, financial condition and results of operations. In pursuing acquisitions, we compete with other companies, many of which have greater financial and other resources to acquire attractive companies and properties. Even if future acquisitions are completed, we may experience the types of risks and difficulties described above with respect to Northrock and other unforeseen problems.

***The extent of the effect of Hurricanes Katrina and Rita on our operations in the Gulf of Mexico is still not completely known.***

On August 29, 2005, after passing through the Gulf of Mexico, Hurricane Katrina made landfall near New Orleans, Louisiana and caused one of the worst natural disasters in U.S. history. On September 24, 2005, Hurricane Rita, one of the strongest measured hurricanes to have entered the Gulf of Mexico, made landfall between Sabine Pass, Texas and Johnson's Bayou, Louisiana. As of December 15, 2005, approximately 4,000 bbls of oil and 20 MMcf of natural gas of our net daily production remain shut-in as a result of the storms. Based on inspections to date, only one of the platforms we operate, located in Main Pass Block 123, appears to have sustained major damage. Significant damage to platforms and pipelines operated by others has also occurred, including facilities that are located in Viosca Knoll Block 823, Eugene Island Block 330, and South Marsh Island Block 128. Also, damage to processing plants and other onshore infrastructure owned and operated by others will likely continue to delay some of our shut-in production from coming back on-line. The full extent of damage from the hurricanes to our facilities is still not completely known. We maintain business interruption insurance on some of our blocks in the Gulf

of Mexico. Coverage commences 60 days after the blocks are shut-in and will continue for a period of one year, unless the production is fully restored earlier. The daily indemnity amount we expect to be paid is approximately \$800,000, which will be reduced as production is partially restored. There is no assurance that potential recoveries under the policy will be sufficient to cover the cash flow we would have otherwise generated from the affected properties, particularly if oil and natural gas prices continue to rise.

*The natural gas and oil business involves many operating risks that can cause substantial losses or hinder marketing efforts.*

Numerous risks affect our drilling activities, including the risk of drilling non-productive wells or dry holes. The cost of drilling, completing and operating wells and of installing production facilities and pipelines is often uncertain. Also, our drilling operations could diminish or cease because of any of the following:

- title problems;
- weather conditions;
- fires;
- explosions;
- blow-outs and surface cratering;
- uncontrollable flows of underground natural gas, oil and formation water;
- natural disasters;
- pipe or cement failures;
- casing collapses;
- embedded oilfield drilling and service tools;
- abnormally pressured formations;
- environmental hazards such as natural gas leaks, oil spills, pipeline ruptures and discharges of toxic gases;
- noncompliance with governmental requirements; or
- shortages or delays in the delivery or availability of material, equipment or fabrication yards.

Offshore operations are also subject to a variety of operating risks peculiar to the marine environment, such as capsizing, collisions and damage or loss from hurricanes or other adverse weather conditions. These conditions can cause substantial damage to facilities and interrupt production. As a result, we could incur substantial liabilities that could reduce or eliminate the funds available for exploration, development or leasehold acquisitions, or result in loss of equipment and properties.

Moreover, effective marketing of our natural gas production depends on a number of factors, such as the following:

- existing market supply of and demand for natural gas;
- the proximity of our reserves to pipelines;
- the available capacity of such pipelines; and

- government regulations.

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The marketing of oil and natural gas production similarly depends on the availability of pipelines and other transportation, processing and refining facilities, and the existence of adequate markets. As a result, even if hydrocarbons are discovered in commercial quantities, a substantial period of time may elapse before commercial production commences. If pipeline facilities in an area are insufficient, we may have to wait for the construction or expansion of pipeline capacity before we can market production from that area.

***We may not be able to obtain sufficient drilling equipment and experienced personnel to conduct our operations.***

In periods of increased drilling activity resulting from high commodity prices, demand exceeds availability for drilling rigs, drilling vessels, supply boats and personnel experienced in the oil and gas industry in general, and the offshore oil and gas industry in particular. This may lead to difficulty and delays in consistently obtaining services and equipment from vendors, obtaining drilling rigs and other equipment at favorable rates, and scheduling equipment fabrication at factories and fabrication yards. This, in turn, may lead to projects being delayed or experiencing increased costs.

***Our foreign operations subject us to additional risks.***

Our ownership and operations in Canada, New Zealand, Vietnam, and any other foreign areas where we do business are subject to the various risks inherent in foreign operations. These risks may include the following:

- currency restrictions and exchange rate fluctuations;
- risks of increases in taxes and governmental royalties and renegotiation of contracts with governmental entities; and
- changes in laws and policies governing operations of foreign-based companies.

United States laws and policies on foreign trade, taxation and investment may also adversely affect our international operations. In addition, if a dispute arises from foreign operations, foreign courts may have exclusive jurisdiction over the dispute, or we may not be able to subject foreign persons to the jurisdiction of United States courts.

***We cannot control the activities on properties we do not operate; operators of those properties may act in ways that are not in our best interests.***

Other companies operate a portion of the oil and natural gas properties in which we have an interest. As a result, we have limited influence over operations on some of those properties or their associated costs. Our limited influence on non-operated properties could result in the following:

- the operator may initiate exploration or development projects on a different schedule than we prefer;
- the operator may propose to drill more wells or build more facilities on a project than we have funds for, which may mean that we cannot participate in those projects or share in a substantial share of the revenues from those projects; and
- if the operator refuses to initiate an exploration or development project, we may not be able to pursue the project.

Any of these events could significantly affect our anticipated exploration and development activities and the economic value of those properties to us.



***Maintaining reserves and revenues in the future depends on successful exploration and development activities and/or acquisitions.***

We must continually explore for and develop or acquire new oil and natural gas reserves to replace those produced and sold. Our hydrocarbon reserves and revenues will decline if we are not successful in our drilling, exploration or acquisition activities. Although we have historically maintained our reserves base primarily through successful exploration and development operations, we cannot assure you that our future efforts will be similarly successful.

***Our offshore and onshore operations are subject to casualty risks against which we cannot fully insure.***

Our operations are subject to inherent casualty risks such as blowouts, fires, explosions and marine hazards. If any such event occurred, we could be subject to substantial financial losses due to personal injury, property damage, environmental discharge, or suspension of operations. The impact on us of one of these events could be significant. Although we purchase insurance at levels we believe to be customary for a company of our size in our industry, we are not fully insured against all risks incident to our business. For some risks, we may not obtain insurance if we believe the cost of available insurance is excessive relative to the risks presented. In addition, pollution and environmental risks generally are not fully insurable. If a significant accident or other event occurs and is not fully covered by insurance, it could adversely affect our operations and financial condition.

***We have substantial capital requirements.***

We require substantial capital to replace our reserves and generate sufficient cash flow to meet our financial obligations. If we cannot generate sufficient cash flow from operations or raise funds externally in the amounts and at the times needed, we may not be able to replace our reserves or meet our financial obligations. We recently paid Unocal Corporation's affiliates approximately \$1.7 billion in cash to acquire Northrock. In addition, our ongoing capital requirements consist primarily of the following items:

- funding our capital and exploration budget;
- other allocations for acquisition, development, production, exploration and abandonment of oil and natural gas reserves;
- our plan, announced in the first quarter of 2005, to repurchase not less than \$275 million nor more than \$375 million of our common stock (of which we had spent approximately \$337 million in repurchasing approximately 6.9 million shares, as of December 20, 2005); and
- future dividends.

Our 2005 capital and exploration budget as established by our board of directors was \$525 million (excluding property acquisitions), approximately 75% of which we spent in the first nine months of 2005.

We financed the \$1.7 billion Northrock acquisition (\$180 million of which had been previously deposited) utilizing net proceeds from the offering of the Outstanding Notes, cash on hand and additional borrowings under our credit facility. We plan to finance anticipated ongoing expenses and capital requirements with funds generated from the following sources:

- available cash and cash investments;
- cash provided by operating activities;
- funds available under our credit facility;

- our uncommitted bank line(s) of credit; and
- capital we believe we can raise through opportunistic debt and equity offerings.

However, the available cash on hand and credit facility borrowings we used in acquiring Northrock reduced the availability of those sources for other requirements. Moreover, the uncertainties and risks associated with future performance and revenues, as described in these Risk Factors, will ultimately determine our liquidity and ability to meet our anticipated capital requirements.

***We will continue to pursue acquisitions and dispositions.***

We will continue to seek opportunities to generate value through business combinations, purchases and sales of assets. We examine potential transactions on a regular basis, depending on market conditions, available opportunities and other factors. Acquisitions, particularly large acquisitions, pose various risks, such as those regarding our Northrock acquisition described under . Our acquisition of Northrock and other acquisition activities may not be successful. Dispositions of portions of our existing business or properties would be intended to result in the realization of immediate value but would consequently result in lower cash flows over the longer term unless the proceeds are reinvested in more productive assets.

***You should not place undue reliance on our reserve data because they are estimates.***

No one can measure underground accumulations of oil and natural gas in an exact way. Projecting future production rates and the timing and amount of development expenditures is also an uncertain process. Accuracy of reserve estimates depends on the quality of available data and on economic, engineering and geological interpretation and judgment. As a result, reserve estimates often differ from the quantities of oil and natural gas ultimately recovered. To estimate economically recoverable reserves, various assumptions are made regarding future oil and natural gas prices, production levels, and operating and development costs that may prove incorrect. Any significant variance from those assumptions could greatly affect estimates of economically recoverable reserves and future net revenues.

You should not assume that the present value of future net cash flows from our proven reserves or those of Northrock incorporated by reference in this prospectus is the current value of the estimated natural gas and oil reserves. The estimated discounted future net cash flows from proven reserves are based on prices and costs on the date of the estimate. Actual future prices and costs may differ materially from those used in the net present value estimate, and future net present value estimates using then current prices and costs may be significantly less than the current estimate.

***We face significant competition, and we are smaller than many of our competitors.***

The oil and gas industry is highly competitive. We compete with major and independent oil and natural gas companies for property acquisitions. We also compete for the equipment and labor required to operate and develop properties. Many of our competitors have substantially greater financial and other resources than we do. As a result, those competitors may be better able to withstand sustained periods of unsuccessful drilling. In addition, larger competitors may be able to absorb the burden of any changes in applicable laws and regulations more easily than we can, which would adversely affect our competitive position. These competitors may be able to pay more for exploratory prospects and productive oil and natural gas properties and may be able to define, evaluate, bid for and purchase a greater number of properties and prospects than we can. Our ability to explore for oil and natural gas prospects and to acquire additional properties in the future will depend on our ability to conduct operations and to evaluate and select suitable properties and transactions in this highly competitive environment. Moreover, the oil and natural gas industry itself competes with other industries in supplying the energy and fuel needs of

industrial, commercial and other consumers. Increased competition causing oversupply or depressed prices could greatly affect our operational revenues.

***Our competitors may use superior technology.***

Our industry is subject to rapid and significant advancements in technology, including the introduction of new products and services using new technologies. As our competitors use or develop new technologies, we may be placed at a competitive disadvantage, and competitive pressures may force us to implement new technologies at a substantial cost. In addition, our competitors may have greater financial, technical and personnel resources that allow them to enjoy technological advantages and may in the future allow them to implement new technologies before we can. We cannot be certain that we will be able to implement technologies on a timely basis or at a cost that is acceptable to us. One or more of the technologies that we currently use or that we may implement in the future may become obsolete, and we may be adversely affected.

***We are subject to legal limitations that may adversely affect the cost, manner or feasibility of doing business.***

We and our subsidiaries are subject to extensive domestic and foreign laws and regulations on taxation, exploration and development, and environmental and safety matters in countries where we own or operate properties. These laws and regulations are under continuing review for amendment or expansion, and we could be forced to expend significant resources to comply with new laws or regulations or changes to existing requirements. Many laws and regulations require drilling permits and govern the spacing of wells, the prevention of waste, rates of production and other matters. These statutes and regulations, and any others that are passed by the jurisdictions where we have production could limit the total number of wells drilled or the total allowable production from successful wells, which could limit revenues. Noncompliance with these statutes and regulations could also result in substantial penalties or in the suspension or termination of our operations.

***We are subject to various environmental liabilities.***

We could incur liability to governments or third parties for any unlawful discharge of oil, natural gas or other pollutants into the air, soil or water, including responsibility for remedial costs. We could potentially discharge oil or natural gas into the environment in any of the following ways:

- from a well, or drilling equipment at a drill site;
- leakage from storage tanks, pipelines or other gathering and transportation facilities;
- damage to oil or natural gas wells resulting from accidents during normal operations; and
- blowouts, cratering or explosions.

Environmental discharges may move through soil to water supplies or adjoining properties, giving rise to additional liabilities. Some laws and regulations could impose liability for failure to notify the proper authorities of a discharge and other failures to comply with those laws. Environmental laws may also affect our costs to acquire properties. We do not believe that our environmental risks are materially different from those of comparable companies in the oil and gas industry. However, we cannot assure you that environmental laws will not, in the future, result in decreased production, substantially increased operational costs or other adverse effects to our combined operations and financial condition. Pollution and similar environmental risks generally are not fully insurable.

*Derivative instruments expose us to risks of financial loss in a variety of circumstances.*

We use derivative instruments in an effort to reduce our exposure to fluctuations in the prices of oil and natural gas. Our derivative instruments expose us to risks of financial loss in a variety of circumstances, including when:

- a counterparty to our derivative instruments is unable to satisfy its obligations;
- production is less than expected; or
- there is an adverse change in the expected differential between the underlying price in the derivative instrument and actual prices received for our production.

Derivative instruments may limit our ability to realize increased revenue from increases in the prices for oil and natural gas.

We follow the provisions of Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities, which generally requires us to record each hedging transaction as an asset or liability measured at its fair value. Each quarter we must record changes in the fair value of our hedges, which could result in significant fluctuations in net income and stockholders' equity from period to period.

#### **Risks Relating to the Notes**

*The risks described in this Risks Relating to the Notes that apply to the Exchange Notes also apply to any Outstanding Notes not tendered for Exchange Notes in the exchange offer.*

***We could incur substantial additional debt, which could negatively impact our financial condition, results of operations and business prospects and prevent us from fulfilling our obligations under the Notes.***

As of September 30, 2005, we had total debt of approximately \$1.5 billion and approximately \$499 million of additional borrowing capacity under our credit facility. Please read Description of Other Indebtedness. Together with our subsidiaries, we may incur substantially more debt in the future, provided we comply with requirements in our credit facility, the indentures governing our outstanding 8¼% Senior Subordinated Notes due 2011 and 6.625% Senior Subordinated Notes due 2015 and the indenture governing the Notes. Our debt level could have several important consequences to you, including:

- it may be more difficult for us to satisfy our obligations with respect to the Notes;
- we may have difficulties borrowing money in the future for acquisitions, to meet our operating expenses or for other purposes;
- we will need to use a portion of the money we earn to pay principal and interest on our debt, which will reduce the amount of money we have to finance our operations and other business activities;
- we may be more vulnerable to economic downturns and adverse developments in our industry; and
- our debt level could limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate.

These factors could have a material adverse effect on our business, financial condition, results of operations, prospects and ability to satisfy our obligations under the Notes.



*Your right to receive payments on the Notes may be adversely affected by the rights of our senior creditors.*

**The Notes are unsecured and**

- subordinated in right of payment to all of our existing senior debt, consisting of borrowings under our credit facility and uncommitted money market lines of credit; and
- structurally subordinated to any of our future secured debt, to the extent of the value of the assets securing such debt, and all of the existing debt and other liabilities of our subsidiaries that do not guarantee the Notes, including trade payables and lease obligations.

Except to the extent, if any, that any of our future debt is expressly stated to be on parity with or junior to the Notes, all of our future debt and all future debt or other liabilities, including guarantees, trade payables and lease obligations, of our subsidiaries that do not guarantee the Notes will be senior to the Notes. As a result, upon any distribution to our creditors in a bankruptcy, liquidation, reorganization or similar proceeding relating to us and our subsidiaries, the holders of our senior debt and the holders of the debt and other liabilities, including guarantees, trade payables and lease obligations, of our subsidiaries that do not guarantee the Notes will be entitled to be paid in full in cash before any payment may be made on the Notes. None of our subsidiaries have guaranteed the Notes. Please read Description of the Exchange Notes Possible Subsidiary Guarantees and Ranking and Subordination.

If we fail to pay our specified senior debt when due, whether upon maturity or as a result of acceleration or otherwise, we could be prohibited from making any payments on the Notes until the default is cured or all of the senior debt is paid in full. In addition, payments on the Notes may be blocked for periods, each up to 179 days, in the event of other defaults relating to specified senior debt.

In the event of our bankruptcy, liquidation, reorganization or similar proceeding, holders of the Notes will participate ratably with general unsecured creditors and ratably with all other holders of senior subordinated debt, if any, in the assets remaining after we have paid all of the senior debt. However, because the indenture governing the Notes requires that amounts otherwise payable to holders of the Notes in a bankruptcy or similar proceeding be paid to holders of the senior debt prior to any payment on the Notes, holders of the Notes may receive less, ratably, than our other general unsecured creditors in any such proceeding. In any of these cases, we may not have sufficient funds to pay all of our creditors, including holders of the Notes.

***There may be no public market for the Exchange Notes.***

The Exchange Notes will be new securities for which currently there is no trading market. We do not intend to apply for the Exchange Notes to be listed on any securities exchange or to arrange for any quotation system to quote them. The liquidity of any market for the Notes will depend on the number of holders of those Notes, the interest of securities dealers in making a market in those securities and other factors. Accordingly, we cannot assure you as to:

- the liquidity of any such market that may develop;
- your ability to sell your Notes; or
- the price at which you would be able to sell your Notes.

If such a market were to exist, the Notes could trade at prices that may be lower than the principal amount or purchase price, depending on many factors, including prevailing interest rates, the market for similar notes and our financial performance. If an active market does not develop or is not maintained, the price and liquidity of the Notes may be adversely affected.

***We may not have the ability to raise the funds necessary to finance the change of control offer required by the indenture.***

Upon the occurrence of a change of control, as defined in the indenture governing the Notes, we will be required to offer to repurchase all outstanding Notes. We may not have sufficient funds available to us to make the required repurchase of Notes. In addition, our credit facility provides that the occurrence of any change of control, as defined in the agreement, constitutes an event of default, which could require that we repay all unpaid and outstanding indebtedness under our credit facility and may limit the funds available for us to make payments with respect to the Notes. Our failure to purchase tendered Notes would constitute a default under the indenture governing the Notes which, in turn, could constitute a further event of default under our credit facility. In addition, the indentures governing our 8¼% Senior Subordinated Notes due 2011 and 6.625% Senior Subordinated Notes due 2015 contain change of control provisions similar to the indenture governing the Notes. Consequently, an event triggering a change of control repurchase obligation under the Notes may also trigger a change of control repurchase obligation under the 2011 Notes or the 2015 Notes.

***We are subject to restrictive debt covenants.***

Our credit facility contains covenants that are similar to but generally more restrictive to us than those contained in the indenture governing the Notes, and require us to maintain specified financial ratios. Our ability to meet those financial ratios can be affected by events beyond our control, and we cannot assure you that we will meet those ratios. In addition, if our borrowing base, which is generally a measurement of our oil and natural gas reserves used by our credit facility, were to fall below the amount borrowed under the agreement, we would be obligated to prepay outstanding obligations under the agreement to the extent of the shortfall. A breach of any of these covenants, ratios or restrictions could result in an event of default under our credit facility. Upon the occurrence of an event of default under our credit facility, the lenders could elect to declare all amounts outstanding under the agreement, together with accrued interest, to be immediately due and payable. If the lenders under our credit facility accelerate the payment of the indebtedness, we cannot assure you that our assets would be sufficient to repay in full that indebtedness and our other indebtedness, including the Notes.

The indentures governing the Notes, our 2011 Notes and our 2015 Notes also impose significant operating and financial restrictions on us. The restrictions in our credit facility or in these indentures may adversely affect our ability to finance our future operations and capital needs and to pursue available business opportunities. Moreover, any new indebtedness we incur may impose financial restrictions and other covenants on us that may be more restrictive than the indenture governing the Notes.

***If the Notes receive an investment grade rating, many of the covenants in the indenture governing the Notes will terminate, thereby reducing some of the protections for Noteholders in the indenture.***

If at any time the Notes receive investment grade ratings from either Standard & Poor's Ratings Services or Moody's Investors Service, Inc., and no default or event of default with respect to the Notes exists, many of the covenants in the indenture governing the Notes applicable to us and our restricted subsidiaries, including, among others, the limitations on indebtedness and restricted payments, will terminate. Upon such termination, Noteholders will not have the protection of these covenants, and we will have greater flexibility under the indenture governing the Notes to incur indebtedness and make restricted payments.

*Federal and state statutes allow courts, under specific circumstances, to void guarantees and require Noteholders to return payments received from guarantors.*

None of our subsidiaries have guaranteed the Notes, but if our existing or future domestic restricted subsidiaries guarantee any of our other indebtedness, they will be required under the indenture governing the Notes to jointly and severally guarantee the Notes on a senior subordinated basis. Federal and state statutes allow courts, under specific circumstances, to void guarantees and require creditors such as the Noteholders to return payments received from guarantors. Under federal bankruptcy law and comparable provisions of state fraudulent transfer laws, a guarantee could be voided or claims in respect of a guarantee could be subordinated to all other debts of that guarantor if, for example, the guarantor, at the time it issued its guarantee:

- intended to hinder, delay or defraud any present or future creditor or received less than reasonably equivalent value or fair compensation for the guarantee;
- was insolvent or rendered insolvent by making the guarantee;
- was engaged in a business or transaction for which the guarantor's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay them as they mature.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all of its assets;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

To the extent a subsidiary's guarantee of the Notes is voided as a result of fraudulent conveyance or held unenforceable for any other reason, the Noteholders would cease to have any claim in respect of that guarantee and would be creditors solely of ours.



**PRIVATE PLACEMENT**

On September 23, 2005, we completed a private offering of \$500 million principal amount of 6.875% Senior Subordinated Notes due 2017 to the initial purchasers of the Outstanding Notes in transactions exempt from or not subject to registration under the Securities Act. The initial purchasers then offered and resold the Outstanding Notes to qualified institutional buyers and non-U.S. persons initially at 100% of the principal amount.

We received net proceeds of approximately \$490.3 million from the private placement. We used the net proceeds from that offering to fund a portion of the Northrock acquisition. Pending the closing of the Northrock acquisition, we used the net proceeds from that offering to reduce temporarily indebtedness under our credit facility.

**USE OF PROCEEDS**

We will not receive any cash proceeds from the issuance of the Exchange Notes. In consideration for issuing the Exchange Notes, we will receive in exchange a like principal amount of Outstanding Notes. The Outstanding Notes surrendered in exchange for the Exchange Notes will be retired and canceled and cannot be reissued. Accordingly, issuance of the Exchange Notes will not result in any change in our capitalization.

**CAPITALIZATION**

The following table sets forth the unaudited capitalization of Pogo and our subsidiaries at September 30, 2005. The table should be read in conjunction with the consolidated financial statements and related notes thereto that are incorporated by reference into this prospectus.

	<b>As of September 30, 2005</b> <b>(Unaudited)</b> <b>(in thousands)</b>
Cash and cash equivalents	\$ 58,025
Long-term debt, including current portion:	
Credit facility indebtedness(a)	\$ 501,000
LIBOR rate advances(b)	40,000
8¼% Senior Subordinated Notes due 2011	200,000
6.625% Senior Subordinated Notes due 2015	300,000
6.875% Senior Subordinated Notes due 2017	500,000
Unamortized discount on 2015 Notes	(2,598 )