

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



2870

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

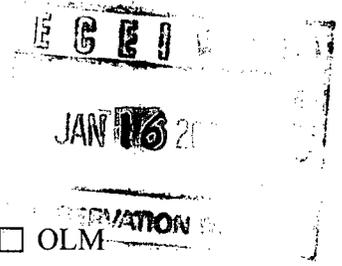
[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication.
 NSL NSP SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR



[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Certification

I hereby certify that I, or personnel under my supervision, have reviewed the applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common.

I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Robert P. Elliott Print or Type Name	 Signature	Sr. Staff Production Engineer Title	1/9/01 Date
		robert.elliott@oceanenergy.com e-mail Address	

District I
1625 N. French Drive, Hobbs, NM 88240

District II
811 South First Street, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION TYPE

Single Well

Establish Pre-Approved Pools

EXISTING WELLBORE

Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Ocean Energy, Inc., 1001 Fannin, Suite 1600, Houston, TX 77002

Operator **Harrod** Address **Unit "J", Sec. 9, T16S, R35E,** Leasing **Lea**

Lease **1** Well No. **96763** Unit Letter-Section-Township-Range **Unit "J", Sec. 9, T16S, R35E,** County **Lea**

OGRID No. **168355** Property Code **23891** API No. **30-025-34535** Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	North ShoeBar Atoka <i>Und.</i>		Townsend Morrow
Pool Code	96763		86400
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Perf: 11754-60 & 11816-23'		Perfs: 12180-12198'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1100 BTU		1185 BTU
Producing, Shut-In or New Zone	Producing		Shut-in
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 12/22/00 Rates: 400 MCFD, 3.3 BCPD, 2.0 BWPD	Date: Rates:	Date: 5/27/00 Rates: 367 MCFPD, 1.7 BCPD, 0 BWPD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 66 % Gas 52%	Oil % Gas %	Oil 34 % Gas 48 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No

Are all produced fluids from all commingled zones compatible with each other? Yes No

Will commingling decrease the value of production? Yes No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

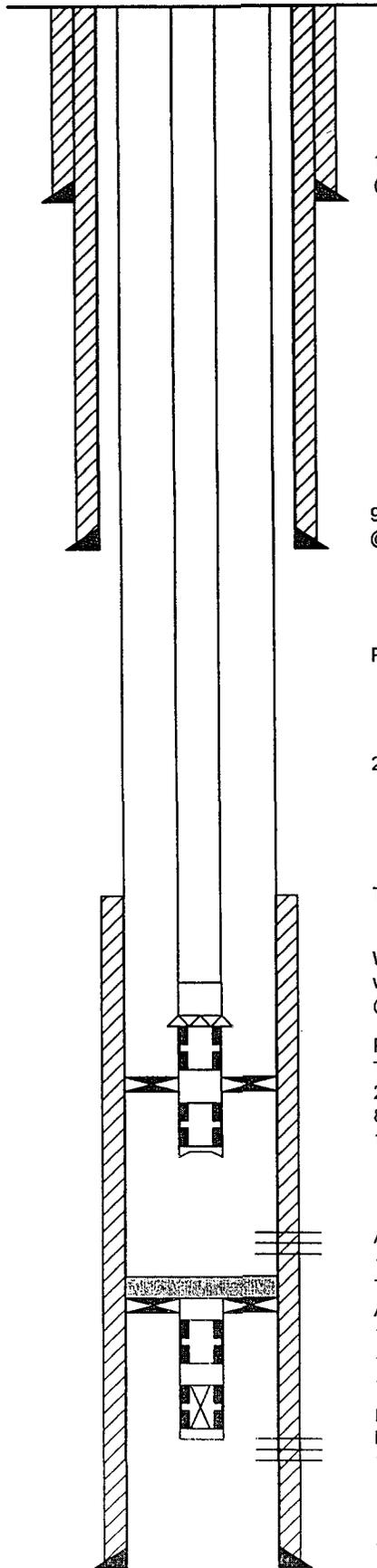
SIGNATURE Robert P. Elliott TITLE Sr. Staff Production Engineer DATE 12/29/00

TYPE OR PRINT NAME Robert P. Elliott TELEPHONE NO. (713) 265-6839

Harrod #1
 1980' FSL & 1870' FEL
 Sec. 9, T-16-S, R-35-E
 Lea Co., NM

Spud Date: 12/2/98
 Completion Date: 2/8/99

Elevation: 4012' GL, 4030' KB



13-3/8", 48#, H-40
 @ 400' w/ 440 sx - surf.

9-5/8", 36#, N-80 & J-55
 @ 4700' w/ 1750 sx - surf.

Pkr Fluid - 2% KCl water

2-3/8", 4.7# L-80 EUE 8rd tubing

TOC - 8930' CBL

Weatherford on/off tool
 w/1.875" Baker "F" profile
 @ 11,682'

Pkr @ 11,683'
 Type: Arrowset I
 20K lbs compression
 8' 2-3/8" N-80 pup jt
 1.875" Baker "R" nipple @ 11,699'

Atoka: 11,754-60' & 11,816-23'
 10' of sand on top of pkr/plug.
 Tagged top w/slick line @ 12,093'
 Arrowset pkr @ 12,103'
 10' pup jt
 1.875" Baker "F" nipple
 10' pup jt
 Blanking plug in 1.875" "R" nipple
 Morrow:
 12180-98'

7", 26# & 23#, P-110 @
 12,780' w/ 550sx

Completion

1/99: MU TCP guns w/32 gram charges w/4spf to perf 12180-98'. Run guns, pkr & 2.375" tbg. Drop bar and perf'd Morrow. Had light blow after perforating. RU swab and tagged FL @ 2400'. Made one run and well KO flowing. Acidized w/4000 gals 15% NEFE w/80 BS. Open well after 1 hr. SI w/2650#. Flow well to pit for 2.5 hrs and gas hit surface. FTP increased while flowing back. Flowing ARO 1.35 MMCFPD w/2500 psi FTP. PWOL.

4/99: Frac'd Morrow. Flowing 3.8 MMcfd.

6/00: Set blanking plug in 1.875" "R" nipple below pkr. Dumped 10' sand above pkr. Perf'd Atoka 11,816-23' and 11,754-60'. Ran Arrow Set I w/ on/off tool on 2-3/8" tbg and set pkr @ 11,665' in 20k lbs compression. Flowed well to pit ARO 400 mcfd on 32/64" chk w/50 psi FTP. SI pressure 3450 psi overnight.

8/00: Frac'd Atoka w/55,000 gals 70 quality binary foam carrying 50,000# 20/40 interprop. IP 1.2 MMcfd 20 bcfd.

DST #1 Wolfcamp(10,930-84'): Opened tool w/good blow, and had GTS in 12 min. (170# @ 271MCFPD) Rec'd 67 BO and 3 bbl OGCM. IF 1756; FF 600; ISI 3567 psi; FS I 2666 psi. 15-60-60-180.

DST #2 Atoka (11,750-843'): Opened tool w/good blow. GTS 22 min. SI. Reopened tool w/well flowing 410# on 1/4" chk @ 590 Mcfd. IF 307; FF 600; ISI 5419 psi; FSI 5387 psi.

PBTD 12,728'
 TD 12,780'

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

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

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

OIL CONSERVATION DIVISION

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name Townsend Morrow
Property Code	Property Name HARROD	Well Number 1
OGRID No. 169355	Operator Name OCEAN ENERGY RESOURCES INC.	Elevation 4012'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	9	16 S	35 E		1980	SOUTH	1870	EAST	LEA

Bottom Hole Location If Different From Surface

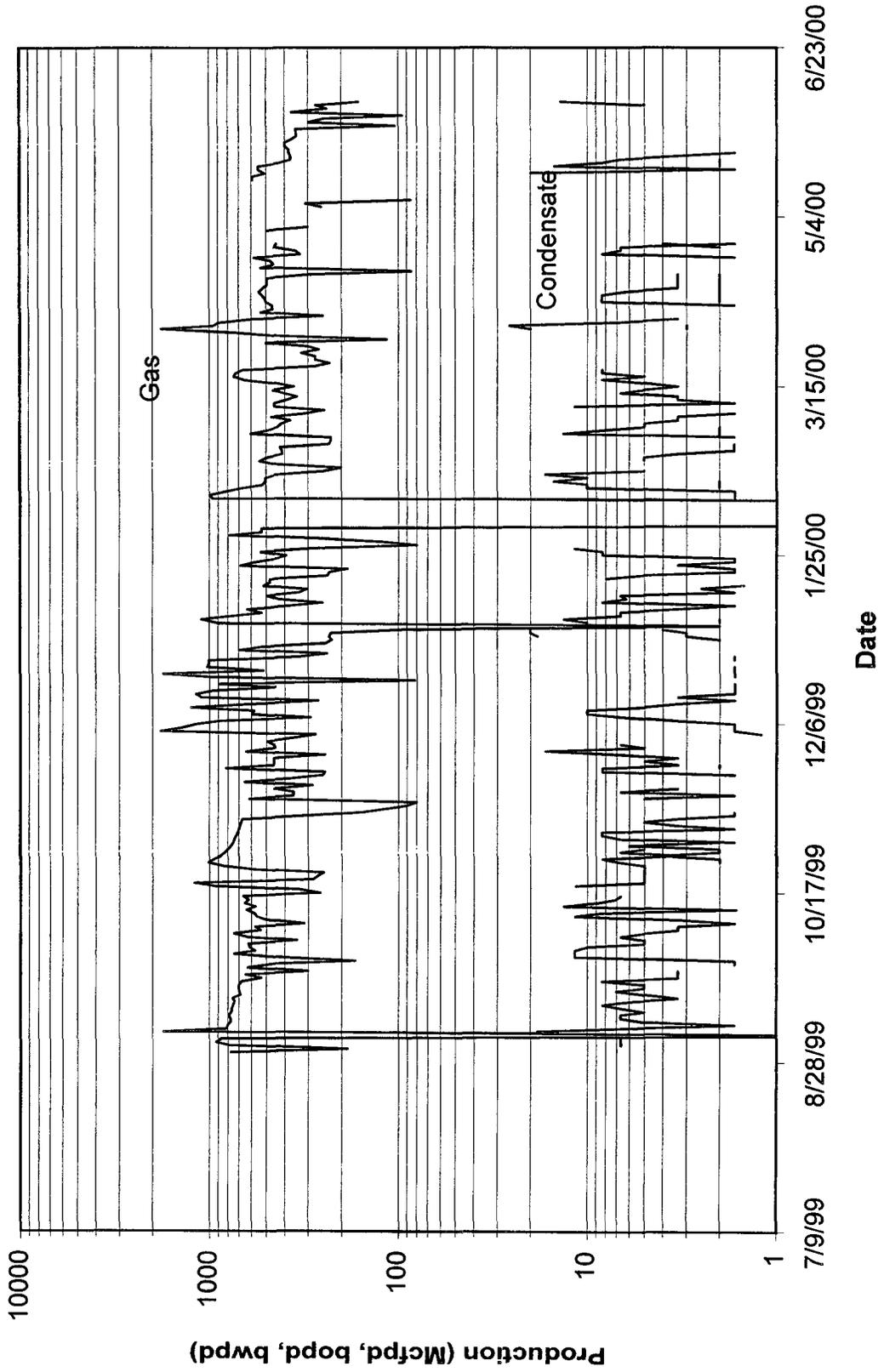
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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

	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>[Signature]</i></p> <p>Signature</p> <p>Scott M. Webb</p> <p>Printed Name</p> <p>Regulatory Coordinator</p> <p>Title</p> <p>11/23/98</p> <p>Date</p>	
	<p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>November 11, 1998</p> <p>Date Surveyed</p> <p>Signature & Seal Professional Surveyor NEW MEXICO 7977</p> <p>W.O. No. 8499</p> <p>Certificate No. Gary L. Jones 7977</p> <p>PROFESSIONAL LAND SURVEYORS</p>	
	<p>Professional Surveyor NEW MEXICO 7977</p>	
	<p>W.O. No. 8499</p> <p>Certificate No. Gary L. Jones 7977</p> <p>PROFESSIONAL LAND SURVEYORS</p>	

Harrod #1 (Townsend Morrow)



Townsend Morrow

Wildcat Measurement Service
 PO Box 1836
 Artesia, New Mexico 88211-1836
 Office #505-746-3461
 "Quality and Service is our First Concern"

JOS 2.0

Run No. 20301-01
 Date Run 02/29/2000
 Date Sampled 01/01/2000

Analysis for: OCEAN ENERGY RESOURCES, INC.
 Well Name: HANROD #1
 Field: WEST LOYINGTON
 Sta. Number:
 Purpose: SFOI
 Sampling Temp: 62 DEG F
 Volume/day: 232.8 MCF/DAY
 Pressure on Cylinder: 357 PSIG

CPANGL 250

Producer: OCEAN ENERGY RESOURCES, INC.
 County: LRA State: NM
 Sampled By: KARE HAEVY
 Atmos Temp: 64 DEG F
 Formation:
 Line Pressure: 370.2 PSIA

GAS COMPONENT ANALYSIS

		Mol %	GPM
Carbon Dioxide	CO2	0.486	
Nitrogen	N2	0.889	
Methane	C1	94.301	14.299
Ethane	C2	8.382	2.162
Propane	C3	3.628	1.060
Iso-Butane	IC4	0.524	0.171
Nor-Butane	NC4	1.093	0.345
Iso-Pentane	IC5	0.340	0.124
Nor-Pentane	NC5	0.254	0.106
Hexanes Plus	C6+	0.161	0.156
TOTAL		100.000	18.353

Pressure Base: 14.730
 Real BTU Dry: 1185
 Real BTU Wet: 1164
 Real Calc. Specific Gravity: 0.684
 Field Specific Gravity: 0.600
 Standard Pressure: 14.696
 BTU Dry: 1182
 BTU Wet: 1162
 Z Factor: 0.9370
 N Value: 1.2866
 Avg Mol Weight: 19.7479
 Avg CuFt/Gal: 55.9361
 26 Lb Product: 0.5768
 Methane+ GPM: 18.353
 Ethane+ GPM: 4.064
 Propane+ GPM: 1.903
 Butane+ GPM: 0.903
 Pentane+ GPM: 0.387

REMARKS:
 H2S ON LOCATION: NONE DETECTED

Wed Mar 01 13:00:49 2000

Approved by: DON NORMAN

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department
 OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-102
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30 025.34535		² Pool Code 96763		³ Pool Name North Shoobar Atoka	
⁴ Property Code 23891		⁵ Property Name Harrod			⁶ Well Number 1
⁷ OGRID No. 169355		⁸ Operator Name OCEAN ENERGY, INC.			⁹ Elevation 4012'

¹⁰ Surface Location

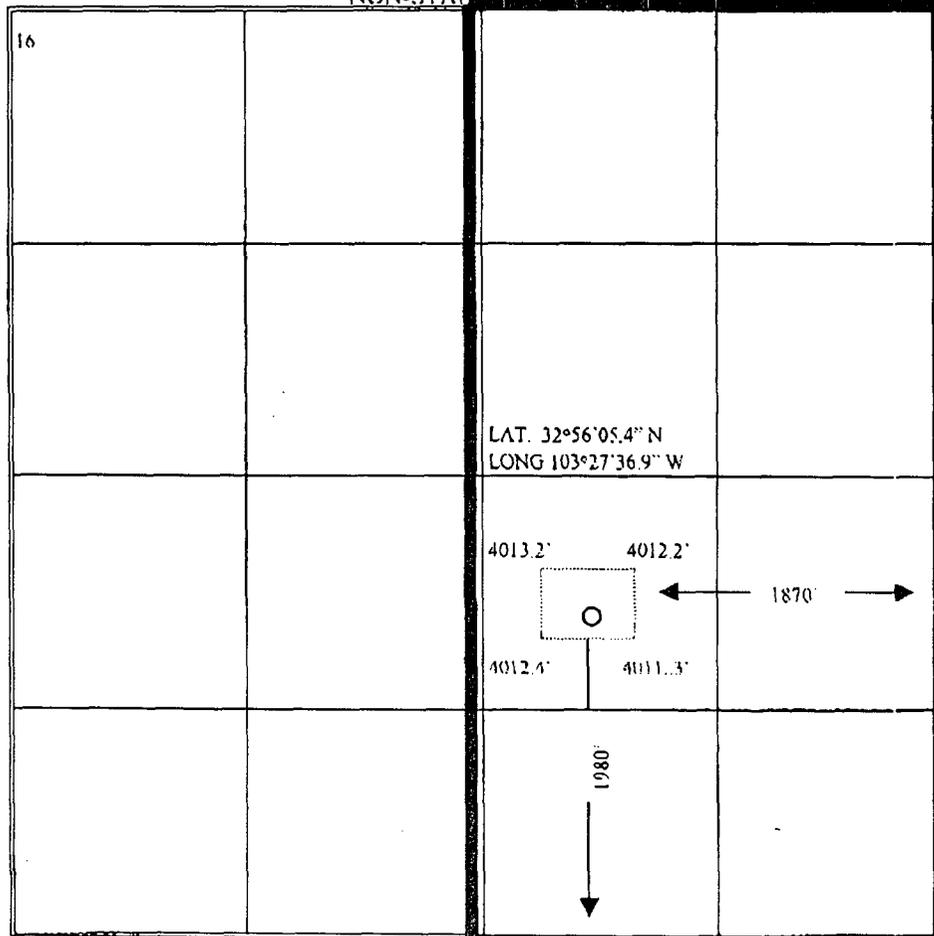
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
J	9	16S	35E		1980	South	1870	East	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320	¹³ Joint or Infill N	¹⁴ Consolidation Code	¹⁵ Order No.
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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



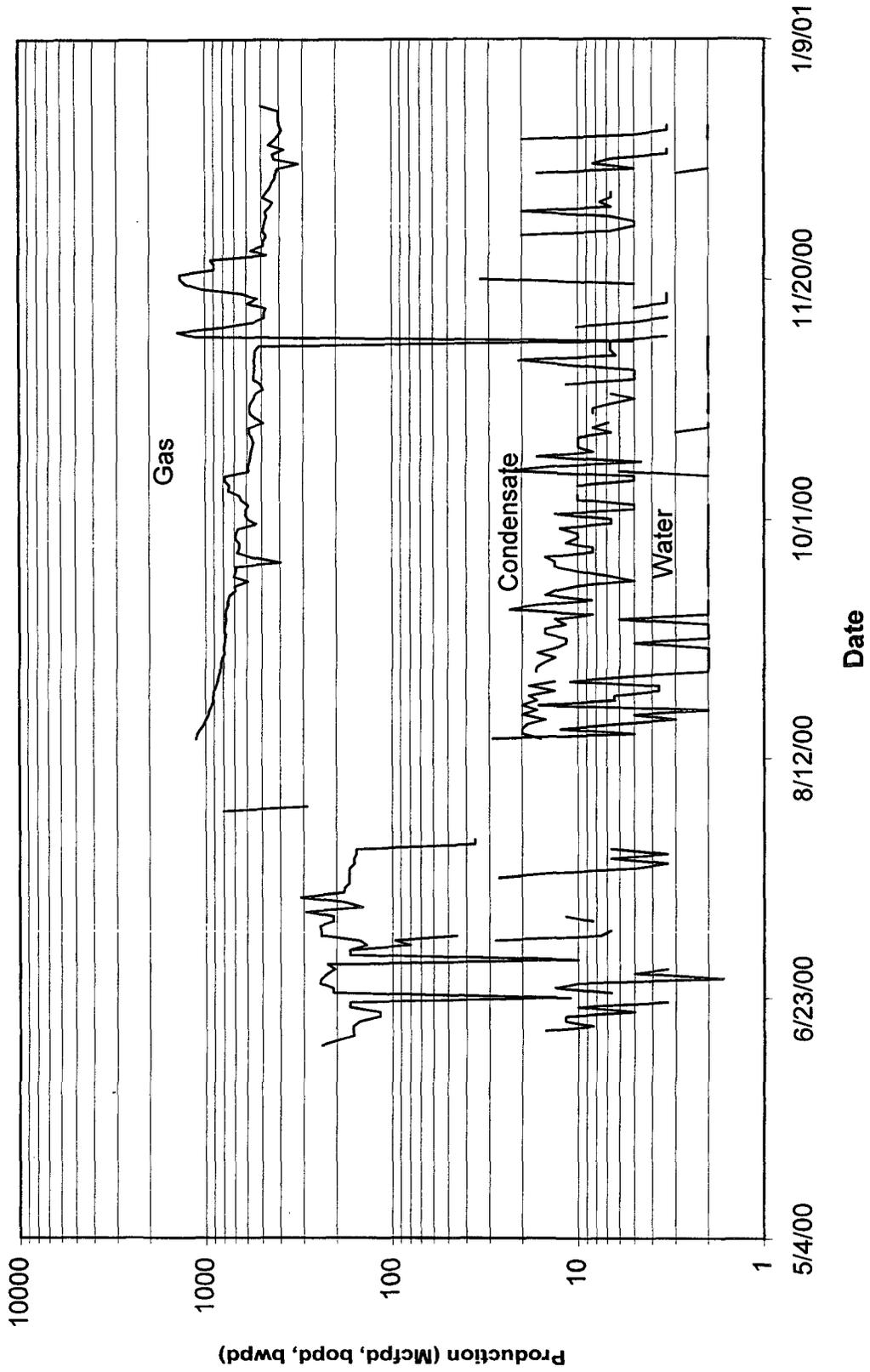
¹⁷ OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and

Janice Halley
 Signature
 Printed Name: Janice Halley
 Title: Production Analyst
 Date: 6-2-00

¹⁸ SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by

Date of Survey
 Signature and Seal of Professional Surveyer:
 Certificate Number

Harrod #1 (North Shoe Bar Atoka)



N. Shoobar Atoka

Wildcat Measurement Service
 PO Box 1836
 Artesia, New Mexico 88211-1836
 Office 8505-746-7481
 "Quality and Service is our First Concern"

DOS 2.0

Run No. 20613-01
 Date Run 06/13/2000
 Date Sampled 06/12/2000

Analysis for: OCEAN ENERGY RESOURCES, INC.

GPANGL.160

Well Name: NARROD #1

Field: WEST LOVINGTON

Producer: OCEAN ENERGY RESOURCES, INC.

Sta. Number:

County: LRA

State: NM

Purpose: SPDT

Sampled By: SCOTT MCCORMICK

Sampling Temp: 60

DEG F

Atmos Temp: 90

DEG F

Volume/day:

Formation:

Pressure on Cylinder: 1300

PSIG

Line Pressure: 1313.2 PSIA

GAS COMPONENT ANALYSIS

Pressure Base: 14.730

	Mol %	GPM
Carbon Dioxide CO2	0.249	
Nitrogen N2	1.307	
Methane C1	89.304	
Ethane C2	6.159	1.647
Propane C3	2.042	0.563
Iso-Butane IC4	0.206	0.067
Nor-Butane NC4	0.362	0.114
Iso-Pentane IC5	0.088	0.032
Nor-Pentane NC5	0.070	0.025
Hexanes Plus C6+	0.213	0.092
TOTAL	100.000	2.541

Real BTU Dry: 1100
 Real BTU Wet: 1081
 Real Calc. Specific Gravity: 0.630
 Field Specific Gravity: 0.000

Standard Pressure: 14.696

BTU Dry: 1098

BTU Wet: 1079

Z Factor: 0.9975

N Value: 1.2957

Avg Mol Weight: 18.1949

Avg CuFt/Gal: 57.3407

26 Lb Product: 0.2343

Methane+ GPM: 17.677

Ethane+ GPM: 2.541

Propane+ GPM: 0.893

Butane+ GPM: 0.331

Pentane+ GPM: 0.149

REMARKS:

N2S ON LOCATION: NONE DETECTED

Approved by: DON NORMAN

Tue Jun 13 13:06:29 2000