

OIL CONSERVATION DIVISION

CASES NUMBER 12841 + 12860

Plan EXHIBIT 1

- 03/27/01 Called Andy Grooms with Primero Operating (Brannex) and began negotiations to acquire farmin/term assignment.
- 04/25/01 Sent first proposal letter.
- 05/18/01 Sent second proposal letter.
- 06/12/01 Received counter proposal letter from Primero.
- 07/23/01 Final agreement sent to all parties.
- 08/14/01 1st amendment changes date agreement must be accepted.
- 11/30/01 2nd amendment changes language so well did not have to be on farmout lands and contract depth from 12,500' to 13,200'

OIL CONSERVATION DIVISION

CASES NUMBER 12841 and 12860

Dean EXHIBIT 2



January 25, 2002

Ameristate Oil & Gas, Inc.
P. O. Box 341449
Austin, Texas 78734

OIL CONSERVATION DIVISION

CASE NUMBER 12841 and 12860
Ocean EXHIBIT 3A

Attention: Mr. Mark Nearburg

Re: Triple Hackle Dragon "25" #1
1815' FNL and 750' FWL
W/2 Section 25, T16S, R35E
Lea County, New Mexico

Gentlemen:

Ocean Energy Inc. hereby proposes to drill a 13,200' Mississippian Test at a location 1815' FNL and 750' FWL of Section 25, T16S, R35E, Lea County, New Mexico. Based upon our most current title information, Ameristate Oil & Gas, Inc. appears to own leasehold interest in the NW/4 of said Section 25. Please advise if this is incorrect.

Ocean respectfully requests that Ameristate Oil & Gas, Inc. participate for its proportionate interest in the proposed well. Enclosed for your review and execution are two (2) copies of the AFE for the above captioned well. Should Ameristate Oil & Gas, Inc. elect to participate in the proposed well, please execute and return one (1) copy of this letter and one (1) AFE well cost estimate. An Operating Agreement will be forwarded for your review and approval if you elect to participate in the proposed well. Also, please provide your well information requirements and the names of personnel to receive reports.

If Ameristate Oil & Gas, Inc. is not interested in participating in drilling the proposed well, please call me at 713-265-6897 to discuss other alternatives.

Thank you for your consideration of this proposal.

Yours very truly,

OCEAN ENERGY, INC.


Derold Maney
Senior Land Advisor

_____ AMERISTATE OIL & GAS, INC. ELECTS TO PARTICIPATE in the Triple Hackle Dragon "25" #1 Well.

_____ AMERISTATE OIL & GAS, INC. ELECTS NOT TO PARTICIPATE in the Triple Hackle Dragon "25" #1 Well.

By: _____
Title: _____
Date: _____



January 25, 2002

TMBR/Sharp Drilling, Inc.
P. O. Drawer 10970
Midland, Texas 79702

Attention: Mr. Jeff Phillips

Re: Triple Hackle Dragon "25" #1
1815' FNL and 750' FWL
W/2 Section 25, T16S, R35E
Lea County, New Mexico

Gentlemen:

Ocean Energy Inc. hereby proposes to drill a 13,200' Mississippian Test at a location 1815' FNL and 750' FWL of Section 25, T16S, R35E, Lea County, New Mexico. Based upon our most current title information, TMBR/Sharp Drilling, Inc. appears to own leasehold interest in the NW/4 of said Section 25. Please advise if this is incorrect.

Ocean respectfully requests that TMBR/Sharp Drilling, Inc. participate for its proportionate interest in the proposed well. Enclosed for your review and execution are two (2) copies of the AFE for the above captioned well. Should TMBR/Sharp Drilling, Inc. elect to participate in the proposed well, please execute and return one (1) copy of this letter and one (1) AFE well cost estimate. An Operating Agreement will be forwarded for your review and approval if you elect to participate in the proposed well. Also, please provide your well information requirements and the names of personnel to receive reports.

If TMBR/Sharp Drilling, Inc. is not interested in participating in drilling the proposed well, please call me at 713-265-6897 to discuss other alternatives.

Thank you for your consideration of this proposal.

Yours very truly,

OCEAN ENERGY, INC.

Derold Maney
Senior Land Advisor

_____ TMBR/SHARP DRILLING, INC. ELECTS TO PARTICIPATE in the Triple Hackle Dragon "25" #1 Well.

_____ TMBR/SHARP DRILLING, INC. ELECTS NOT TO PARTICIPATE in the Triple Hackle Dragon "25" #1 Well.

By: _____

Title: _____

Date: _____



January 25, 2002

Fuel Products, Inc.
P. O. Box 3098
Midland, Texas 79702

Attention: Mr. Tom Beall

Re: Triple Hackle Dragon "25" #1
1815' FNL and 750' FWL
W/2 Section 25, T16S, R35E
Lea County, New Mexico

Gentlemen:

Ocean Energy Inc. hereby proposes to drill a 13,200' Mississippian Test at a location 1815' FNL and 750' FWL of Section 25, T16S, R35E, Lea County, New Mexico. Based upon our most current title information, Fuel Products, Inc. appears to own leasehold interest in the NW/4 of said Section 25. Please advise if this is incorrect.

Ocean respectfully requests that Fuel Products, Inc. participate for its proportionate interest in the proposed well. Enclosed for your review and execution are two (2) copies of the AFE for the above captioned well. Should Fuel Products, Inc. elect to participate in the proposed well, please execute and return one (1) copy of this letter and one (1) AFE well cost estimate. An Operating Agreement will be forwarded for your review and approval if you elect to participate in the proposed well. Also, please provide your well information requirements and the names of personnel to receive reports.

If Fuel Products, Inc. is not interested in participating in drilling the proposed well, please call me at 713-265-6897 to discuss other alternatives.

Thank you for your consideration of this proposal.

Yours very truly,

OCEAN ENERGY, INC.


Derold Maney
Senior Land Advisor

_____ FUEL PRODUCTS, INC. ELECTS TO PARTICIPATE in the Triple Hackle Dragon "25" #1 Well.

_____ FUEL PRODUCTS, INC. ELECTS NOT TO PARTICIPATE in the Triple Hackle Dragon "25" #1 Well.

By: _____
Title: _____
Date: _____



January 25, 2002

Mr. Louis Mazzullo
P. O. Box 66657
Albuquerque, New Mexico 87193

Re: Triple Hackle Dragon "25" #1
1815' FNL and 750' FWL
W/2 Section 25, T16S, R35E
Lea County, New Mexico

Dear Mr. Mazzullo,

Ocean Energy Inc. hereby proposes to drill a 13,200' Mississippian Test at a location 1815' FNL and 750' FWL of Section 25, T16S, R35E, Lea County, New Mexico. Based upon our most current title information, you appear to own leasehold interest in the NW/4 of said Section 25. Please advise if this is incorrect.

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If you are not interested in participating in drilling the proposed well, please call me at 713-265-6897 to discuss other alternatives.

Thank you for your consideration of this proposal.

Yours very truly,

OCEAN ENERGY, INC.

Derold Maney
Senior Land Advisor

_____ LOUIS MAZZULLO ELECTS TO PARTICIPATE in the Triple Hackle Dragon "25" #1 Well.

_____ LOUIS MAZZULLO ELECTS NOT TO PARTICIPATE in the Triple Hackle Dragon "25" #1 Well.

By: _____
Title: _____
Date: _____



January 25, 2002

David H. Arrington Oil & Gas, Inc.
P. O. Box 2071
Midland, Texas 79702

Attention: Mr. David H. Arrington

Re: Triple Hackle Dragon "25" #1
1815' FNL and 750' FWL
W/2 Section 25, T16S, R35E
Lea County, New Mexico

Gentlemen:

Ocean Energy Inc. hereby proposes to drill a 13,200' Mississippian Test at a location 1815' FNL and 750' FWL of Section 25, T16S, R35E, Lea County, New Mexico. Based upon our most current title information, David H. Arrington Oil & Gas, Inc. appears to own leasehold interest in the NW/4 of said Section 25. Please advise if this is incorrect.

Ocean respectfully requests that David H. Arrington Oil & Gas, Inc. participate for its proportionate interest in the proposed well. Enclosed for your review and execution are two (2) copies of the AFE for the above captioned well. Should David H. Arrington Oil & Gas, Inc. elect to participate in the proposed well, please execute and return one (1) copy of this letter and one (1) AFE well cost estimate. An Operating Agreement will be forwarded for your review and approval if you elect to participate in the proposed well. Also, please provide your well information requirements and the names of personnel to receive reports.

If David H. Arrington Oil & Gas, Inc. is not interested in participating in drilling the proposed well, please call me at 713-265-6897 to discuss other alternatives.

Thank you for your consideration of this proposal.

Yours very truly,

OCEAN ENERGY, INC.

Derold Maney
Senior Land Advisor

_____ DAVID H. ARRINGTON OIL & GAS, INC. ELECTS TO PARTICIPATE in the Triple Hackle Dragon "25" #1 Well.

_____ DAVID H. ARRINGTON OIL & GAS, INC. ELECTS NOT TO PARTICIPATE in the Triple Hackle Dragon "25" #1 Well.

By: _____
Title: _____
Date: _____



January 25, 2002

Louis Mazzullo, INC.
Mr. Louis Mazzullo
P. O. Box 66657
Albuquerque, New Mexico 87193



Re: Triple Hackle Dragon "25" #1
1815' FNL and 750' FWL
W/2 Section 25, T16S, R35E
Lea County, New Mexico

Dear Mr. Mazzullo,

Ocean Energy Inc. hereby proposes to drill a 13,200' Mississippian Test at a location 1815' FNL and 750' FWL of Section 25, T16S, R35E, Lea County, New Mexico. Based upon our most current title information, you appear to own leasehold interest in the NW/4 of said Section 25. Please advise if this is incorrect.

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If you are not interested in participating in drilling the proposed well, please call me at 713-265-6897 to discuss other alternatives.

Thank you for your consideration of this proposal.

Yours very truly,

OCEAN ENERGY, INC.

Derold Maney
Senior Land Advisor

OIL CONSERVATION DIVISION
CASE NUMBER 1284/a-112860
Ocean EXHIBIT 3B

LOUIS MAZZULLO ELECTS TO PARTICIPATE in the Triple Hackle Dragon "25" #1 Well.

LOUIS MAZZULLO ELECTS NOT TO PARTICIPATE in the Triple Hackle Dragon "25" #1 Well.

By: [Signature]
Title: President
Date: 2/8/02

OCEAN ENERGY, INC **DEVELOPMENT DRILLING & COMPLETION - OP**

REGION: Permian AFE DATE: 01/25/2002 AFE NO: NA
 FIELD: Other Permian - 5620 LEASE/WELL: Triple Hackle Dragon 25 - 1 EST. START DATE 04/01/02
 PROSPECT: Eidson Ranch WORK TYPE: Development Drill & Complete ORIG. DEPT: Drilling
 COUNTY/STATE: Lea Co., New Mexico SURFACE LOC: 1,815' FNL & 750' FWL
 PROPERTY NO.: NA BTM HOLE LOC: Same DEPTH: 13200' MD 13200' TVD
 OPERATOR: Ocean Energy Inc. GEOLOGIC OBJECTIVE: Strawn, Brunson, Morrow, Mesa COORDINATOR: RG Trueheart
 LEGAL DESCRIPTION: Section 25, T16S, R35E

Drill and complete the Eidson Ranch 22-1 as a development well to 13,200' MD/TVD. The plan calls for drilling a 17-1/2" surface hole to 500' and setting 13-38" casing. Then drilling an 11" intermediate hole to 5000' and setting 8-5/8" casing. Then drilling a 7-7/8" production hole to 13,200'. The well will be evaluated by mud logs, DST's, and wireline logs. If successful, 5-1/2" production casing will be set. The well will be completed conventionally with a packer and 2-3/8" tubing after being stimulated. A XCD polymer mud system with chlorides above 20,000ppm will be used in drilling the zones of interest.

ESTIMATED INTANGIBLE EXPENSES						
ACCOUNT	DESCRIPTION	DRILL	Supplement	COMPLETE	Supplement	TOTAL
221 / 222 - 010	LOCATION COSTS	\$50,000	\$0	\$5,000	\$0	\$55,000
221 / 222 - 020	RIG COSTS	\$408,500	\$0	\$47,000	\$0	\$455,500
221 / 222 - 025	MOB / DEMOB RIG COSTS	\$50,000	\$0	\$0	\$0	\$50,000
221-027	TURNKEY	\$0	\$0	\$0	\$0	\$0
221 / 222 - 030	SHOREBASE SERVICES	\$0	\$0	\$0	\$0	\$0
221 / 222 - 040	FUEL / LUBE / POWER / WTR	\$66,700	\$0	\$3,100	\$0	\$69,800
221-050	DIRECTIONAL SERVICES	\$0	\$0	\$0	\$0	\$0
222 - 060	DOWNHOLE COMPLETION SERVICES			\$111,000	\$0	\$111,000
221 / 222 - 070	FISHING	\$0	\$0	\$0	\$0	\$0
221 / 222 - 080	CEMENT AND SERVICES	\$27,000	\$0	\$28,000	\$0	\$55,000
222 / 222 - 090	FORMATION EVALUATION	\$44,500	\$0	\$0	\$0	\$44,500
221 - 093	OPEN HOLE LOG / LWD	\$50,000	\$0	\$0	\$0	\$50,000
221 / 222 - 097	CASED HOLE LOG / MECH WIRELINE	\$0	\$0	\$5,000	\$0	\$5,000
221 / 222 - 100	TRANSPORTATION - LAND	\$15,800	\$0	\$8,500	\$0	\$24,300
221-103/222-105	TRANSPORTATION - AIR	\$0	\$0	\$0	\$0	\$0
221-105/222-095	TRANSPORTATION - MARINE	\$0	\$0	\$0	\$0	\$0
221 / 222 - 110	BITS, REAMERS AND STABILIZERS	\$75,500	\$0	\$2,500	\$0	\$78,000
221 / 222 - 120	EQUIPMENT RENTAL	\$75,500	\$0	\$5,300	\$0	\$80,800
221 / 222 - 130	MUD / FLUIDS / CHEMICALS	\$50,000	\$0	\$3,800	\$0	\$53,800
221 / 222 - 140	CONTRACT LABOR	\$71,200	\$0	\$40,500	\$0	\$111,700
221 / 222 - 160	COMMUNICATIONS	\$6,500	\$0	\$500	\$0	\$7,000
221 / 222 - 170	OVERHEAD	\$15,100	\$0	\$0	\$0	\$15,100
221 / 222 - 180	INSURANCE	\$1,300	\$0	\$0	\$0	\$1,300
221 / 222 - 185	CASING / TUBING / HMR / EQ & SERVICE	\$12,500	\$0	\$10,000	\$0	\$22,500
221 / 222 - 200	MISCELLANEOUS	\$2,000	\$0	\$0	\$0	\$2,000
221 - 210	P&A EXPENSE	\$0	\$0	\$0	\$0	\$0
221 / 222 - 220	COMPANY LABOR	\$0	\$0	\$0	\$0	\$0
221 / 222 - 230	ENVIRONMENTAL	\$16,000	\$0	\$0	\$0	\$16,000
221 - 240	DRILL SITE G&G	\$2,200	\$0	\$0	\$0	\$2,200
221 / 222 - 250	WEATHER DELAY	\$0	\$0	\$0	\$0	\$0
	SUB-TOTAL INTANGIBLE	\$1,040,300	\$0	\$270,200	\$0	\$1,310,500
5100995	CONTINGENCIES 10% (D) 5% (S)	\$104,030	\$0	\$27,020	\$0	\$131,050
TOTAL INTANGIBLES:		\$1,144,330	\$0	\$297,220	\$0	\$1,441,550

ESTIMATED TANGIBLE EXPENSES						
TUBULARS	SIZE	DEPTH	FOOTAGE			
		Caisson		\$0	\$0	\$0
	0,000	0	0	\$0	\$0	\$0
	20,000	60	60	\$2,100	\$0	\$2,100
	0,000	0	0	\$0	\$0	\$0
	13,375	500	500	\$8,400	\$0	\$8,400
	8,625	5000	5000	\$72,300	\$0	\$72,300
	0,000	0	0	\$0	\$0	\$0
	0,000	0	0	\$0	\$0	\$0
226 - 010	TUBULARS - DRILLING			\$82,800	\$0	\$82,800
	0,000	0	0	\$0	\$0	\$0
	5,500	13200	13200	\$110,200	\$0	\$110,200
	2,375	13200	13100	\$36,500	\$0	\$36,500
227 - 010	TUBULARS - COMPLETION				\$146,700	\$146,700
226 / 227 - 020	WELLHEAD EQUIPMENT			\$18,000	\$0	\$18,000
226 / 227 - 030	DOWNHOLE EQUIPMENT			\$3,000	\$0	\$3,000
227 - 050	LEASE SURFACE EQUIPMENT				\$49,000	\$49,000
227 - 080	VALVES, PIPES AND FITTINGS				\$5,000	\$5,000
227 - 100	ARTIFICIAL LIFT				\$0	\$0
227 - 200	MISCELLANEOUS				\$0	\$0
227 - 210	RECOMPLETION TANGIBLES				\$0	\$0
TOTAL TANGIBLES:				\$103,800	\$0	\$238,200

DRY HOLE AND COMPLETION COSTS **\$1,248,130** **\$0** **\$535,420** **\$0** **\$1,783,550**

TIME AND COST TO P&A: 2 days \$50,000 <=== P&A time and cost not included in DHC estimate above

ESTIMATED DRILLING DAYS 43 COST/DAY \$29,026 COST/FT \$95

ESTIMATED COMPLETION DAYS 2 COST/DAY \$267,710 COST/FT \$40.56

or Non-Operator only:

ELECT TO PARTICIPATE AND ACCEPT THE WELL CONTROL INSURANCE COVERAGE.

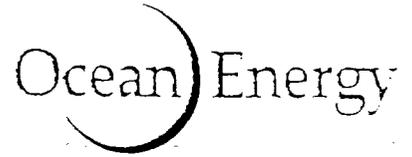
Approval _____ Company Name or Individual (PLEASE PRINT) _____ Date _____

ELECT TO PARTICIPATE AND DO NOT ACCEPT THE WELL CONTROL INSURANCE COVERAGE.

Approval _____ **OIL CONSERVATION DIVISION** _____ Date _____

CASE NUMBER _____

Ocean EXHIBIT 4



April 4, 2002

Ameristate Oil & Gas, Inc.
P. O. Box 341449
Austin, Texas 78734

Attention: Mr. Mark Nearburg

Re: Triple Hackle Dragon "25" #2
1980' FWL and 1980' FSL
W/2 Section 25, T16S, R35E
Lea County, New Mexico

Gentlemen:

Ocean Energy Inc. hereby proposes to drill a 13,200' Mississippian Test at a location 1980' FWL and 1980' FSL of Section 25, T16S, R35E, Lea County, New Mexico. Based upon our most current title information, Ameristate Oil & Gas, Inc. appears to own leasehold interest in the NW/4 of said Section 25. Please advise if this is incorrect.

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If Ameristate Oil & Gas, Inc. is not interested in participating in drilling the proposed well, please call me at 713-265-6897 to discuss other alternatives.

Thank you for your consideration of this proposal.

Yours very truly,

OCEAN ENERGY, INC.

Derold Maney
Senior Land Advisor

OIL CONSERVATION DIVISION

CASES NUMBER 12841 and 12860

Ocean EXHIBIT 5

_____ AMERISTATE OIL & GAS, INC. ELECTS TO PARTICIPATE in the Triple Hackle Dragon "25" #2 Well.

_____ AMERISTATE OIL & GAS, INC. ELECTS NOT TO PARTICIPATE in the Triple Hackle Dragon "25" #2 Well.

By: _____
Title: _____
Date: _____



April 4, 2002

TMBR/Sharp Drilling, Inc.
P. O. Drawer 10970
Midland, Texas 79702

Attention: Mr. Jeff Phillips

Re: Triple Hackle Dragon "25" #2
1980' FWL and 1980' FSL
W/2 Section 25, T16S, R35E
Lea County, New Mexico

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Yours very truly,

OCEAN ENERGY, INC.

Derold Maney
Senior Land Advisor

_____ TMBR/SHARP DRILLING, INC. ELECTS TO PARTICIPATE in the Triple Hackle Dragon "25" #2 Well.

_____ TMBR/SHARP DRILLING, INC. ELECTS NOT TO PARTICIPATE in the Triple Hackle Dragon "25" #2 Well.

By: _____
Title: _____
Date: _____



April 4, 2002

Fuel Products, Inc.
P. O. Box 3098
Midland, Texas 79702

Attention: Mr. Tom Beall

Re: Triple Hackle Dragon "25" #2
1980' FWL and 1980' FSL
W/2 Section 25, T16S, R35E
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Thank you for your consideration of this proposal.

Yours very truly,

OCEAN ENERGY, INC.

Derold Maney
Senior Land Advisor

_____ FUEL PRODUCTS, INC. ELECTS TO PARTICIPATE in the Triple Hackle Dragon "25" #2 Well.

_____ FUEL PRODUCTS, INC. ELECTS NOT TO PARTICIPATE in the Triple Hackle Dragon "25" #2 Well.

By: _____
Title: _____
Date: _____



April 4, 2002

Mr. Louis Mazzullo
P. O. Box 66657
Albuquerque, New Mexico 87193

Re: Triple Hackle Dragon "25" #2
1980' FWL and 1980' FSL
W/2 Section 25, T16S, R35E
Lea County, New Mexico

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Thank you for your consideration of this proposal.

Yours very truly,

OCEAN ENERGY, INC.

Derold Maney
Senior Land Advisor

_____ LOUIS MAZZULLO ELECTS TO PARTICIPATE in the Triple Hackle Dragon "25" #2 Well.

_____ LOUIS MAZZULLO ELECTS NOT TO PARTICIPATE in the Triple Hackle Dragon "25" #2 Well.

By: _____
Title: _____
Date: _____



April 4, 2002

David H. Arrington Oil & Gas, Inc.
P. O. Box 2071
Midland, Texas 79702

Attention: Mr. David H. Arrington

Re: Triple Hackle Dragon "25" #2
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Yours very truly,

OCEAN ENERGY, INC.

Derold Maney
Senior Land Advisor

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_____ DAVID H. ARRINGTON OIL & GAS, INC. ELECTS NOT TO PARTICIPATE in the Triple Hackle Dragon "25" #2 Well.

By: _____
Title: _____
Date: _____

OIL CONSERVATION DIVISION

CASES NUMBER 12841 and 12860

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, 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

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999
EXHIBIT
Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Ocean Energy, Inc. 1001 Fannin, Suite 1600, Houston, TX 77002		² OGRID Number 169355
³ Property Code 28458		⁴ API Number
⁵ Property Name Triple-Rackle Dragon 25		⁶ Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot/blk	Feet from the	North/South line	Feet from the	East/West line	County
2	25	16S	35E		1815	North	150	West	Lea

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot/blk	Feet from the	North/South line	Feet from the	East/West line	County
⁹ Proposed Pool 1 North					¹⁰ Proposed Pool 2 Townsend Mississippian				
					86390				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3958'
¹⁶ Multiple N	¹⁷ Proposed Depth 13,500'	¹⁸ Formation Mississippian	¹⁹ Contractor Grey Wolf	²⁰ Spud Date WHEN APPROVED

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
25"	20"	Conductor	40'	Redi-mix	Surface
17 1/2"	13 3/8"	54.5	450'	500 Sx	Surface
11"	8 5/8"	32	4900'	1300 Sx.	Surface
7 7/8"	5 1/2"	17	13,400'	1200 Sx	500' above uppermost pay.

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Ocean Energy, Inc. proposes to drill this well to 13,500'. Log and run production casing as indicated above if log looks productive.

BOP Program: 11" 5000 psi type "U" ram. 11" 5000 psi annular preventor, 4" 5000 psi manifold. BOP's will be tested every two weeks. (See attached sketch of BOP's)

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <u>Jeanie McMillan</u> Printed name: <u>Jeanie McMillan</u> Title: <u>Regulatory Specialist</u> Date: <u>3/28/02</u>	OIL CONSERVATION DIVISION	
	Approved by:	Expiration Date:
Phone: (713) 265-6834	Approval Date:	Conditions of Approval:
	Attached <input type="checkbox"/>	

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

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-84

Instructions on back

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

Submit to the Appropriate
 District Office
 State Leases - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

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

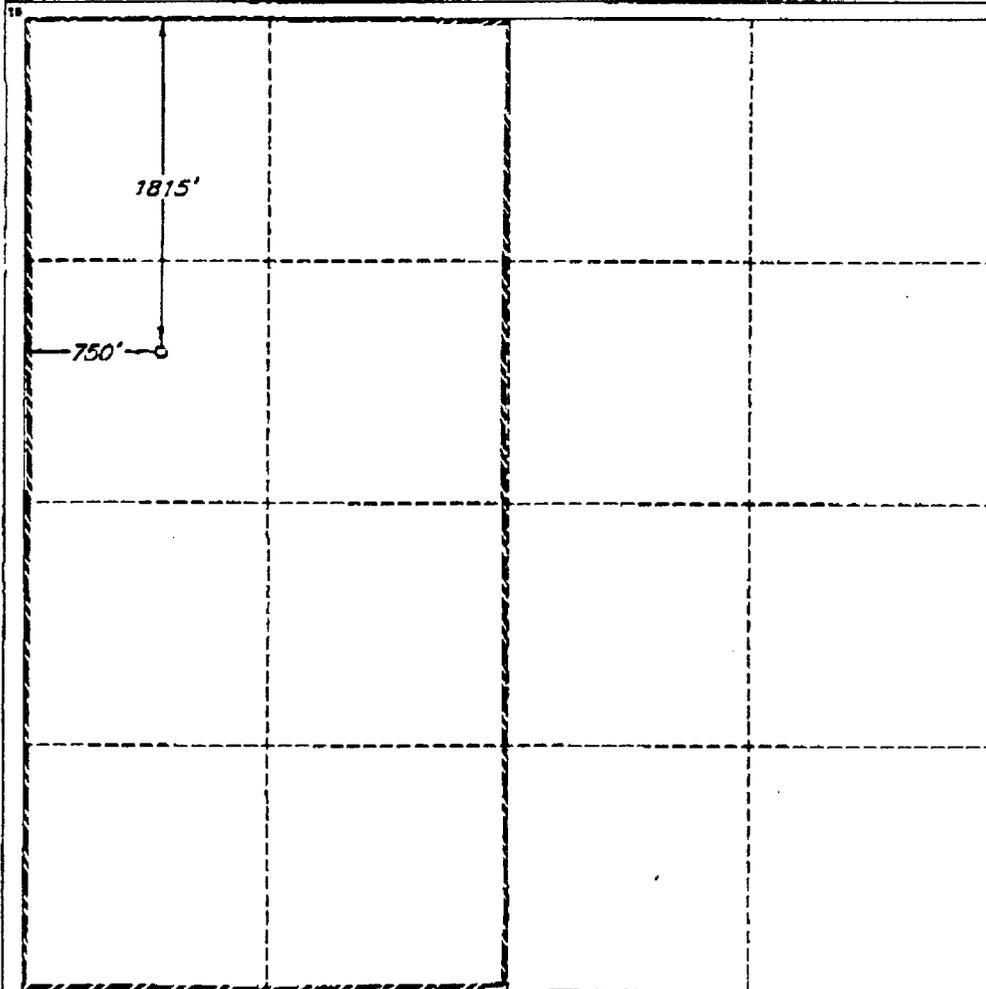
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number		2 Pool Code 86390		3 Pool Name NORTH TOWNSEND MISSISSIPPIAN					
4 Property Code		5 Property Name TRIPLE-HACKLE DRAGON 25					6 Well Number 1		
7 OGRID No. 169355		8 Operator Name OCEAN ENERGY, INC.					9 Elevation 3958'		
* SURFACE LOCATION									
11 TL or lot no. E	12 Section 25	13 Township 16 SOUTH	14 Range 35 EAST, N.M.P.M.	15 Lot Ida	16 Feet from the 1815'	17 North/South line NORTH	18 Feet from the 750'	19 East/West line WEST	20 County LEA
** BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
21 TL or lot no.	22 Section	23 Township	24 Range	25 Lot Ida	26 Feet from the	27 North/South line	28 Feet from the	29 East/West line	30 County
31 Dedicated Acres 320		32 Joint or Infill		33 Consolidation Code		34 Order No.			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Signature: *Joe T. Jarrica*

Printed Name: Joe T. Jarrica

Title: Agent

Date: 04/05/02

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: ~~APR 18 2001~~

Signature: *V. Lynn Buzner*
 Professional Engineer
 STATE OF NEW MEXICO
 V. LYNN BUZNER
 NO. 7928
 V. LYNN BUZNER LAND SURVEYOR S.S. #7920
 JOB #77464 / 96 NW / J.C.P.

OIL CONSERVATION DIVISION

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, 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
EXHIBIT 7
Ocean Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Ocean Energy, Inc. 1001 Fannin, Suite 1600, Houston, TX 77002		² OGRID Number 169355	
		³ API Number	
³ Property Code 28456	⁵ Property Name Triple-Hackle Dragon 25		⁶ Well No. 2

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Mn	Feet from the	North/South line	Feet from the	East/West line	County
K	25	16E	35E		1980	South	1980	West	Lea

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Mn	Feet from the	North/South line	Feet from the	East/West line	County
⁹ Proposed Pool 1 Townsend Mississippian					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3959'
¹⁶ Multiple N	¹⁷ Proposed Depth 13500'	¹⁸ Formation Mississippian	¹⁹ Contractor Grey Wolf	²⁰ Spud Date When Approved

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
25"	20"	Conductor	40'	Redi-mix	Surface
17-1/2"	13-3/8"	54.5	450'	500 sx	Surface
11"	8-5/8"	32	4900'	1300 sx	Surface
7-7/8"	5-1/2"	17	13400'	1200 sx	500' above pay ^{Upper Most}

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Ocean Energy, Inc. proposes to drill this well to 13,500'. Log and run production casing as indicated above if log looks productive.

BOP Program: 11" 5000 psi type "U" ram. 11" 5000 psi annular preventor, 4" 5000 psi manifold. BOP's will be tested every two weeks. (See attached sketch of BOP's.)

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Jeanie McMillan</i> Printed name: Jeanie McMillan Title: Regulatory Specialist Date: 4/29/02		OIL CONSERVATION DIVISION Approved by: Title: Approval Date: Expiration Date: Conditions of Approval: Attached <input type="checkbox"/>	
Phone: (713) 265-6834			

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF OCEAN ENERGY,
INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

Case No. 12,841

AFFIDAVIT REGARDING NOTICE

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

James Bruce, being duly sworn upon his oath, deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters set forth herein.

2. I am an attorney for Applicant.

3. Applicant has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the Application filed herein.

4. Notice of the Application was provided to the interest owners at their correct addresses by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Exhibit A.

5. Applicant has complied with the notice provisions of Division Rule 1207.


James Bruce

SUBSCRIBED AND SWORN TO before me this 15th day of May, 2002, by James Bruce.

Notary Public

My Commission Expires:
3/14.2005

OIL CONSERVATION DIVISION

CASES NUMBER 12841 and 12860

Ocean EXHIBIT f

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

324 MCKENZIE STREET
SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

February 25, 2002

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and Gentlemen:

Enclosed is an application for compulsory pooling, filed with the New Mexico Oil Conservation Division by Ocean Energy, Inc., regarding the W $\frac{1}{2}$ of Section 25, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico. This application is scheduled to be heard at 8:00 a.m. on Thursday, March 21, 2002 at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. As an interest owner in the proposed well, you have the right to appear at the hearing and participate in the case. Failure to appear at the hearing will preclude you from contesting this matter at a later date.

You are required to notify the Division, and the undersigned, by Friday, March 15, 2002, if you intend to enter an appearance and participate in the case.

Very truly yours,



James Bruce

Attorney for Ocean Energy, Inc.



EXHIBIT A

David H. Arrington Oil & Gas, Inc.
P.O. Box 2071
Midland, Texas 79702

Attention: David H. Arrington

Ameristate Oil & Gas, Inc.
P.O. Box 341449
Austin, Texas 78734

Attention: Mark Nearburg

TMBR/Sharp Drilling Inc.
P.O. Box 10970
Midland, Texas 79702

Attention: Jeff Phillips

Fuel Products, Inc.
P.O. Box 3098
Midland, Texas 79702

Attention: Tom Beall

Louis Mazzullo
P.O. Box 66657
Albuquerque, New Mexico 87193

**U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)**

Postage \$ 0.57
Certified Fee 2.10
Return Receipt Fee (Endorsement Required) 1.50
Restricted Delivery Fee (Endorsement Required) 4.17
Total Postage & Fees \$ 8.34

Sent To Ameristate Oil & Gas, Inc.
P.O. Box 341449
Austin, Texas 78734

Street, Apt. No. or PO Austin, Texas 78734
City, State, ZIP+4 Attention: Mark Nearburg

PS Form 3800, May 2000 See Reverse for Instructions

1. Article Addressed to:
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
Print your name and address on the reverse so that we can return the card to you.
Attach this card to the back of the mailpiece, or on the front if space permits.

2. Article Number 7000
(Transfer from service label)
PS Form 3811, August 2001

SENDER: COMPLETE THIS SECTION

1. Article Addressed to:
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
Print your name and address on the reverse so that we can return the card to you.
Attach this card to the back of the mailpiece, or on the front if space permits.

David H. Arrington Oil & Gas, Inc.
P.O. Box 2071
Midland, Texas 79702
Attention: David H. Arrington

2. Article Number 7000
(Transfer from service label)
PS Form 3811, August 2001

COMPLETE THIS SECTION ON DELIVERY

A. Signature x Mary Bell
B. Received by Printed Name MARY BELL
C. Date of Delivery FEB 28 2002
D. Is delivery address different from item 1? Yes No

3. Service Type
 Certified Mail
 Registered
 Insured Mail
 Express Mail
 Return Receipt for Merchandise
 C.O.D.

4. Restricted Delivery? (Extra Fee) Yes No

Domestic Return Receipt
102595-01-M-0391

SENDER: COMPLETE THIS SECTION

1. Article Addressed to:
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
Print your name and address on the reverse so that we can return the card to you.
Attach this card to the back of the mailpiece, or on the front if space permits.

Ameristate Oil & Gas, Inc.
P.O. Box 341449
Austin, Texas 78734
Attention: Mark Nearburg

2. Article Number 7000
(Transfer from service label)
PS Form 3811, August 2001

COMPLETE THIS SECTION ON DELIVERY

A. Signature x Mary Bell
B. Received by Printed Name MARY BELL
C. Date of Delivery 3-7-02
D. Is delivery address different from item 1? Yes No

3. Service Type
 Certified Mail
 Registered
 Insured Mail
 Express Mail
 Return Receipt for Merchandise
 C.O.D.

4. Restricted Delivery? (Extra Fee) Yes No

Domestic Return Receipt
102595-01-M-0391

**U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)**

Postage \$ 0.57
Certified Fee 2.10
Return Receipt Fee (Endorsement Required) 1.50
Restricted Delivery Fee (Endorsement Required) 4.17
Total Postage & Fees \$ 8.34

Sent To David H. Arrington Oil & Gas, Inc.
P.O. Box 2071
Midland, Texas 79702

Street, Apt. No. or PO Midland, Texas 79702
City, State, ZIP+4 Attention: David H. Arrington

PS Form 3800, May 2000 See Reverse for Instructions

1. Article Addressed to:
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
Print your name and address on the reverse so that we can return the card to you.
Attach this card to the back of the mailpiece, or on the front if space permits.

2. Article Number 7000
(Transfer from service label)
PS Form 3811, August 2001

COMPLETE THIS SECTION ON DELIVERY

A. Signature x Mary Bell
B. Received by Printed Name MARY BELL
C. Date of Delivery FEB 26 2002
D. Is delivery address different from item 1? Yes No

3. Service Type
 Certified Mail
 Registered
 Insured Mail
 Express Mail
 Return Receipt for Merchandise
 C.O.D.

4. Restricted Delivery? (Extra Fee) Yes No

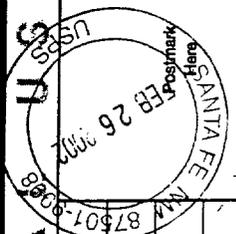
Domestic Return Receipt
102595-01-M-0391

**U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)**

Postage	\$ 0.57
Certified Fee	2.10
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.17

Sent To Fuel Products, Inc.
P.O. Box 3098
Midland, Texas 79702

City, State, ZIP+4 Attention: Tom Beall



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

TMBR/Sharp Drilling Inc.
P.O. Box 10970
Midland, Texas 79702
Attention: Jeff Phillips

2. Article Number (Copy from service label)
7800 2879 0800 1192

PS Form 3811, July 1998
Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____
B. Date of Delivery 3-4-02

C. Signature *Helio Saminack*
D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
 Certified Mail
 Registered
 Insured Mail
 Express Mail
 Return Receipt for Merchandise
 C.O.D.

4. Restricted Delivery? (Extra Fee) Yes No

102595-00-M-0912

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Fuel Products, Inc.
P.O. Box 3098
Midland, Texas 79702
Attention: Tom Beall

COMPLETE THIS SECTION ON DELIVERY

A. Signature *K Kollar*
B. Received by (Printed Name) *K Kollar*
C. Date of Delivery 3-4-02
D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type
 Certified Mail
 Registered
 Insured Mail
 Express Mail
 Return Receipt for Merchandise
 C.O.D.

4. Restricted Delivery? (Extra Fee) Yes No

2. Article Number (Transfer from service label)
7800 2879 0800 1192 5093

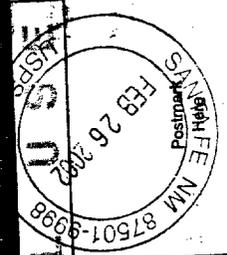
PS Form 3811, August 2001
Domestic Return Receipt

102595-01-M-0911

**U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)**

Postage	\$ 0.57
Certified Fee	2.10
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.17

Sent To TMBR/Sharp Drilling Inc.
P.O. Box 10970
Midland, Texas 79702
Attention: Jeff Phillips



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

TMBR/Sharp Drilling Inc.
P.O. Box 10970
Midland, Texas 79702
Attention: Jeff Phillips

2. Article Number (Copy from service label)
7800 2879 0800 1192

PS Form 3811, July 1998
Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____
B. Date of Delivery 3-4-02

C. Signature *Helio Saminack*
D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
 Certified Mail
 Registered
 Insured Mail
 Express Mail
 Return Receipt for Merchandise
 C.O.D.

4. Restricted Delivery? (Extra Fee) Yes No

102595-00-M-0912

See Reverse for Instructions
PS Form 3800, May 2000

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Louis Mazzaullo
P.O. Box 66657
Albuquerque, New Mexico 87193

2. Article Number: 70002870 0000 1192 5686
(Transfer from service label)
PS Form 3811, August 2001

COMPLETE THIS SECTION ON DELIVERY

A. Signature: [Signature] Agent Addressee

B. Received by (Printed Name): [Signature] Date of Delivery: 8-1-02

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

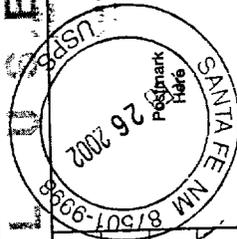
3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes No

Domestic Return Receipt
0000 1192 5686
 102595-01

**U.S. Postal Service
 CERTIFIED MAIL RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)**

OFFICIAL USE



Postage	\$ 0.57
Certified Fee	2.10
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.17

Sent To

Louis Mazzaullo
 Street, Apt. No., or PO Box No., P.O. Box 66657
 Albuquerque, New Mexico 87193
 City, State, ZIP+4

PS Form 3800, May 2000 See Reverse for Instructions

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF OCEAN ENERGY,
INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

Case No. 12,860

AFFIDAVIT REGARDING NOTICE

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

James Bruce, being duly sworn upon his oath, deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters set forth herein.

2. I am an attorney for Applicant.

3. Applicant has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the Application filed herein.

4. Notice of the Application was provided to the interest owners at their correct addresses by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Exhibit A.

5. Applicant has complied with the notice provisions of Division Rule 1207.


James Bruce

SUBSCRIBED AND SWORN TO before me this 15th day of May, 2002, by James Bruce.

Notary Public

My Commission Expires:
3/14/2005

OIL CONSERVATION DIVISION

CASE NUMBER 12841 and 12860

Kear EXHIBIT 9

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

324 MCKENZIE STREET
SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

April 9, 2002

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

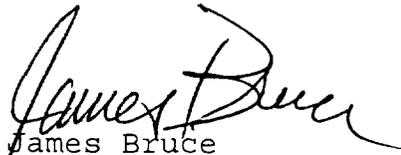
To: Persons on Exhibit A

Ladies and Gentlemen:

Enclosed is an application for compulsory pooling, filed with the New Mexico Oil Conservation Division by Ocean Energy, Inc., regarding the W½ of Section 25, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico. This application is scheduled to be heard at 8:00 a.m. on Thursday, May 2, 2002 at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, although the Division may set a special hearing date. As an interest owner in the proposed well, you have the right to appear at the hearing and participate in the case. Failure to appear at the hearing will preclude you from contesting this matter at a later date.

You are required to notify the Division, and the undersigned, by Friday, April 26, 2002, if you intend to enter an appearance and participate in the case.

Very truly yours,


James Bruce

Attorney for Ocean Energy, Inc.



EXHIBIT A

David H. Arrington Oil & Gas, Inc.
P.O. Box 2071
Midland, Texas 79702

Attention: David H. Arrington

Ameristate Oil & Gas, Inc.
P.O. Box 341449
Austin, Texas 78734

Attention: Mark Nearburg

TMBR/Sharp Drilling Inc.
P.O. Box 10970
Midland, Texas 79702

Attention: Jeff Phillips

Fuel Products, Inc.
P.O. Box 3098
Midland, Texas 79702

Attention: Tom Beall

Louis Mazzullo
P.O. Box 66657
Albuquerque, New Mexico 87193

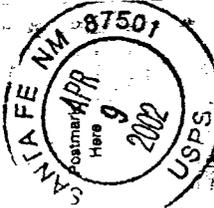
**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only, No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$ 0.57
Certified Fee	2.00
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.07

Sent To
Americast Oil & Gas, Inc.
P.O. Box 341449
Austin, Texas 78734
Street, Apt. No., or PO Box No.
City, State, ZIP+4

PS Form 3800, January 2001



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Americast Oil & Gas, Inc.
P.O. Box 341449
Austin, Texas 78734

COMPLETE THIS SECTION ON DELIVERY

- Signature: *M. Anderson*
- Received by (Printed Name): *M. Anderson*
- Date of Delivery: *APR 9 2002*
- Delivery address different from front? YES, enter delivery address below: NO

- Service Type:
 - Certified Mail
 - Registered
 - Insured Mail
 - C.O.D.
- Restricted Delivery? (Extra Fee) YES NO

2. Article Number (Transfer from service label): 7001 2510 0006 5901 2836

PS Form 3811, August 2001

102595-01-10038

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

David H. Arrington Oil & Gas, Inc.
P.O. Box 2071
Midland, Texas 79702

2. Article Number (Transfer from service label): 7001 2510 0006 5901 2836

PS Form 3811, August 2001

Domestic Return Receipt: 005

102595-01-10038

COMPLETE THIS SECTION ON DELIVERY

- Signature: *S. Slough*
- Received by (Printed Name): *S. Slough*
- Date of Delivery: *4/7/02*
- Delivery address different from item 1? YES NO
- If YES, enter delivery address below:

- Service Type:
 - Certified Mail
 - Registered
 - Insured Mail
 - C.O.D.
- Restricted Delivery? (Extra Fee) YES NO

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only, No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$ 2.10
Certified Fee	1.50
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.17



David H. Arrington Oil & Gas, Inc.
P.O. Box 2071
Midland, Texas 79702

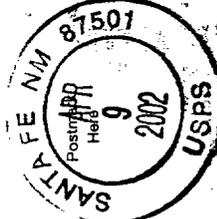
PS Form 3800, January 2001

See Reverse for Instructions

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$ 0.57
Certified Fee	2.10
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	4.17
Total Postage & Fees	\$ 8.34



Sent To
TMBR/Sharp Drilling Inc.
Street, Apt. No. P.O., Box 10970
Midland, Texas 79702
City, State, ZIP+4

PS Form 3800, January 2001

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:

Fuel Products, Inc.
P.O. Box 3098
Midland, Texas 79702

2. Article Number

(Transfer from service label)

7001 2510 0006 5981 2546
PS Form 3811, August 2001

102595-01-M-038

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

TMBR/Sharp Drilling Inc.
P.O. Box 10970
Midland, Texas 79702

2. Article Number

(Transfer from service label)

7001 2510 0006 5981 2546
PS Form 3811, August 2001

102595-01-M-038

COMPLETE THIS SECTION ON DELIVERY

- A. Signature *K Kollar* Agent Addressee
- B. Received by (Printed Name) *K Kollar* C. Date of Delivery *4/15/02*
- D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type
- Certified Mail Express Mail
- Registered Return Receipt for Merchandise
- Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

7001 2510 0006 5981 2546

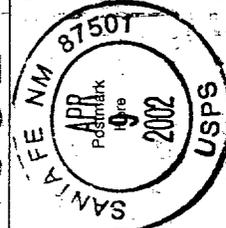
Domestic Return Receipt

102595-01-M-038

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$ 0.57
Certified Fee	2.10
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	4.17
Total Postage & Fees	\$ 8.34



Sent To
Fuel Products, Inc.
P.O. Box 3098
Midland, Texas 79702
City, State, ZIP+4

PS Form 3800, January 2001

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:

Louis Mazza
P.O. Box 6657
Albuquerque, New Mexico 87193

Article Number

(Transfer from service label)

PS Form 3811 August 2001

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]*
 B. Agent Addresssee
 C. Date of Delivery *4-14-02*

Delivered by (Printed Name) *MAZZA*
 D. Deliver address different from item 1? Yes No
 YES, enter delivery address below:

Service Type
 Certified Mail
 Registered
 Insured Mail
 Express Mail
 Return Receipt for Merchandise
 C.O.D.

4. Restricted Delivery? (Extra Fee) Yes No

Postage *0.57*
 Certified Fee *2.10*
 Restricted Delivery Fee *1.50*
 Total Postage & Fees *4.17*

Postage Return Receipt

102595-01-9981

**U.S. Postal Service
 CERTIFIED MAIL RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)**

OFFICIAL USE

Postage *0.57*
 Certified Fee *2.10*
 Restricted Delivery Fee *1.50*
 Total Postage & Fees *4.17*



Sent To: *Louis Mazza*
 Street Address: *P.O. Box 6657*
 City, State, ZIP: *Albuquerque, New Mexico 87193*



BRANEX RESOURCES, INC.
POST OFFICE BOX 2328
ROSWELL, NEW MEXICO 88202-2328
(505) 627-0612 • Fax (505) 627-6353

January 29, 2002

Dale Douglas, CPL
David H. Arrington Oil & Gas, Inc.
P.O. Box 2071
Midland, Texas 79702

Phil Brewer Esquire
Attorney for TMBR/Sharp Drilling, Inc.
P.O. Box 298
Roswell, New Mexico 88202-0298

Derold Maney, Senior Landman
Ocean Energy, Inc.
1001 Fannin, Suite 1600
Houston, Texas 77002-6794



OIL CONSERVATION DIVISION

CASES NUMBER 12841 and 12860

Ocean EXHIBIT 9A

RE: Compulsory Pooling Application of TMBR/Sharp Drilling, Inc. dated January 25, 2002 for a "Mississippian Test" and to form a N/2, spacing unit in Section 25, T16S-R35E, and Well Proposal and AFE of David H. Arrington Oil & Gas, Inc. dated January 24, 2002 for a 12,750 Mississippian Test and to form a E/2, spacing unit in Section 25, T16S-R35E, Lea County, New Mexico;

Gentlemen:

Branex Resources, Inc. ("BRI") is in receipt of both of the captioned proposals and or documents relative to the fee simple net mineral interests that it owns in the W/2NE/4, Section 25, T16S-R35E. David H. Arrington Oil & Gas Inc. has already staked its "Triple Hackle Dragon 25" well to be located 1815' FNL & 750' FWL Section 25, T16S-R35E, NMPM, Lea County, New Mexico. This well was proposed in July 2001 and the State of New Mexico has apparently already issued an approved drilling permit for this well specifying a W/2, Section 25 spacing unit. Due to the fact that Arrington has an approved drilling permit for the W/2, Section 25, BRI would only agree to either participate or to farmout to a Mississippian Test well that would dedicate the E/2, Section 25.

Various BRI leasehold interests located in the SW/4, Section 25 are presently farmed out to Ocean Energy, Inc. and said farmout calls for an initial test well to be drilled on or before July 1, 2002. It is our understanding that Ocean Energy, Inc. is going to take over the operations of the Triple Hackle Dragon 25 well. We are advised of a leasehold title dispute that exists between Arrington and TMBR/Sharp concerning the NW/4, Section 25

and we have no opinion on that matter. We have however categorically stated and we reaffirm herein, that we will not extend said July 1, 2002 spud date for the initial test well, which will comprise the W/2, Section 25. We believe that both seismic and geology indicate that the W/2 spacing unit is appropriate for the first well to be drilled Section 25. Regardless of the status of the Arrington/TMBR-Sharp title dispute, BRI will seek to be allowed to enjoy its correlative rights afforded by its leasehold interests in the SW/4, 25 insofar as maintaining a W/2, Section 25 spacing unit is concerned. BRI will support a second well in Section 25, but only if said well is drilled on an E/2, spacing unit. We will monitor the situation as it develops and will make a participation/farmout decision at the appropriate time. Thank you.

Yours truly,

A handwritten signature in cursive script, appearing to read "F. Andrew Grooms". The signature is written in black ink and is positioned above the typed name.

F. Andrew Grooms
CPL

/ag

Primero Prospect: Time Structure – Austin Lm.

