

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
811 S. 1ST ST.
ARTESIA, NM 88210-2834

reverse side)

OMB NO. 1004-0136
Expires: February 28, 1999

LEASE DESIGNATION AND SERIAL NO.
LC-029390A

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐ 814

b. TYPE OF WELL
OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☒

2. NAME OF OPERATOR
OCEAN ENERGY, INC. (SCOTT WEBB) 303-573-4721

3. ADDRESS AND TELEPHONE NO.
410 17th STREET SUITE 14000 DENVER, CO. 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
1980' FWL & 1650' FNL SEC. 28 T18S-R31E EDDY CO. NM
At proposed prod. zone Same Unit F

5. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
Approximately 10 miles Southeast of Loco Hills New Mexico

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
23537

8. FARM OR LEASE NAME WELL NO.
Shugart "28" Federal

9. API WELL NO.
30-015-30363

10. FIELD AND POOL, OR WILDCAT
Shugart Morrow 85300

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 28 T18S-R31E

12. COUNTY OR PARISH 13. STATE
EDDY CO. NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
660'

16. NO. OF ACRES IN LEASE
320

17. NO. OF ACRES ASSIGNED TO THIS WELL
320

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
660'

19. PROPOSED DEPTH
12,000

20. ROTARY OR CABLE TOOLS
ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3624' GR.

22. APPROX. DATE WORK WILL START when approved

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor	NA	40'	Cement to surface with Redi-mix.
17 1/2"	H-40 13 3/8"	48	8000'	600 Sx. circulate to surface
12 1/2"	J-55, S-80 5 5/8"	32	4800'	1980 Sx. circulate to surface
7 7/8"	N-80, S-95 5 1/2"	17	12000'	1175 Sx. top cement 4700'

- Drill 25" hole through the unconsolidated zone 40" ±. Set 40+' of 20" conductor. Cement to surface with Redi-Mix cement.
- Drill 17 1/2" hole to 800'. Run & set 800' of 13-3/8" H-40 48# ST&C casing. Cement with 400 sx Class "C" + 8% Gel + 2% CaCl + 1/4# Flocele/sx. Tailin with 200 sx Class "C" + 2% CaCl. Circulate cement to surface.
- Drill 12 1/2" hole to 4800'. Run & set 4800' of 8-5/8" J-55 & S-80 32# ST&C casing. Cement with 1655 sx 35/65 POZ + 3% salt + 1/4# Flocele/sx. Tailin with 325 sx of Class "C" + 1% CaCl, circulate cement to surface.
- Drill 7-7/8" hole to 11,850'. Run & set 11,850' of 5 1/2" N-80 & S-95 17# LT&C & Buttress casing. Cement in two stages, stage tool @ 9500'. Cement 1st stage with 250 sx 50-50 POZ + 10% salt + .25% dispersant + 2% Gel, tailin with 200 sx Class "H" + 10% salt + .25% dispersant. Cement 2nd stage with 360 sx 35/65 POZ Class "C" tail in with 365 sx 50-50 POZ + 10% salt + .25% dispersant + 2% Gel. Estimated top of cement 4700'.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Armando A. Lopez TITLE Agent DATE 07/03/98
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

Acting

(ORIG. SGD.) ARMANDO A. LOPEZ

Assistant Field Office Manager,
Lands and Minerals

APPROVED BY _____ TITLE _____ DATE JUL 31 1998

*See Instructions On Reverse Side

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

State of New Mexico

Energy, Minerals and Natural Resources Department

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

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

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 85300	Pool Name SHUGART - MORROW
Property Code	Property Name SHUGART "28" FEDERAL	Well Number 2
OGRID No. 169355	Operator Name OCEAN ENERGY, INC.	Elevation 3624

Surface Location

UL or lot No. F	Section 28	Township 18 S	Range 31 E	Lot Idn	Feet from the 1650	North/South line NORTH	Feet from the 1980	East/West line WEST	County EDDY
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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 320	Joint or Infill	Consolidation Code	Order No.						

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

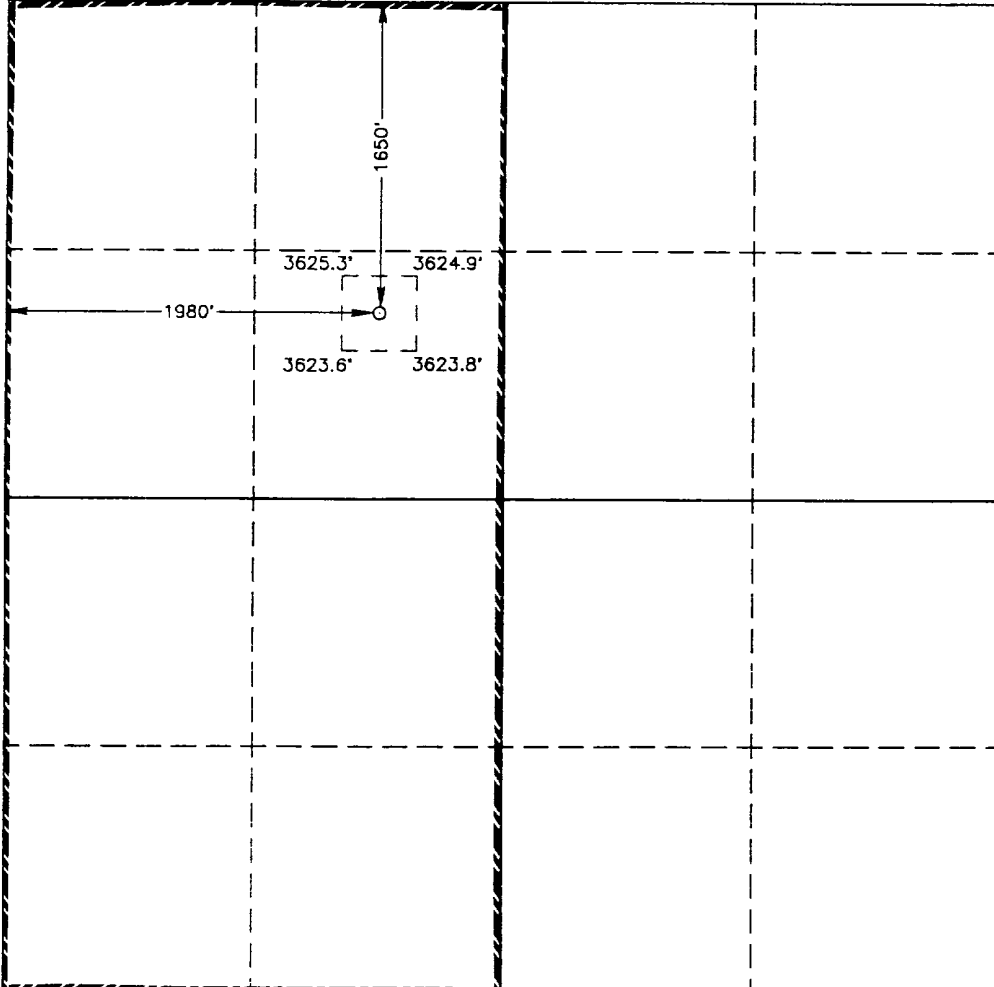
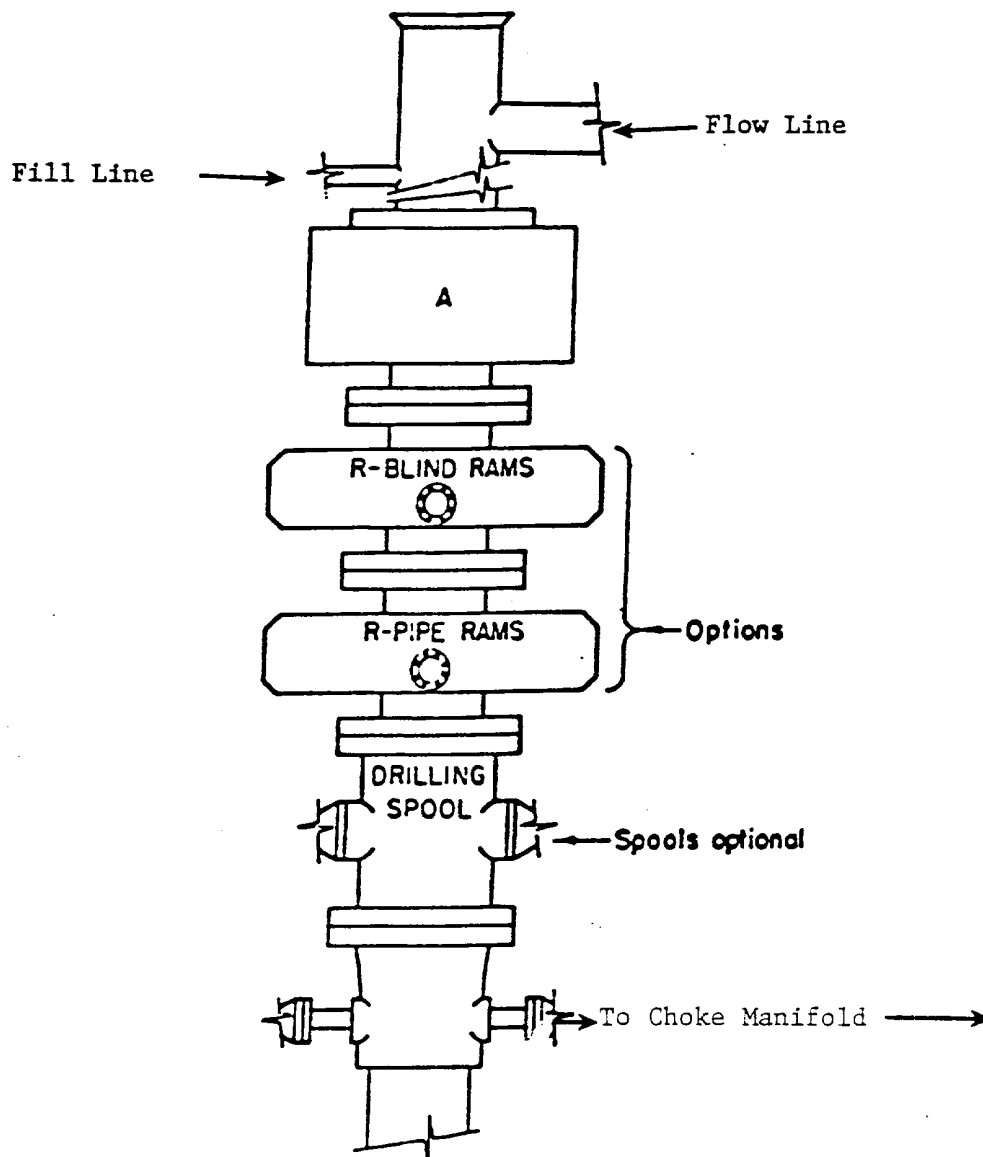
	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <i>Joe T. Janica</i> Signature Joe T. Janica Printed Name Agent Title 07/03/98 Date SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. JUNE 25, 1998 Date Surveyed JLP Signature & Seal of Professional Surveyor <i>Ronald S. Eidson</i> W.O. Num. 98-11-0955 Certificate No. RONALD S. EIDSON, 3239 GARY S. EIDSON, 12641 RONALD S. McDONALD, 12185
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EXHIBIT "A"



ARRANGEMENT SRRA

1500 Series
5000# Working Pressure

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

OCEAN ENERGY, INC.
SHUGART "28" FEDERAL # 2
UNIT "F" SECTION 28
T18S-R31E EDDY CO. NM

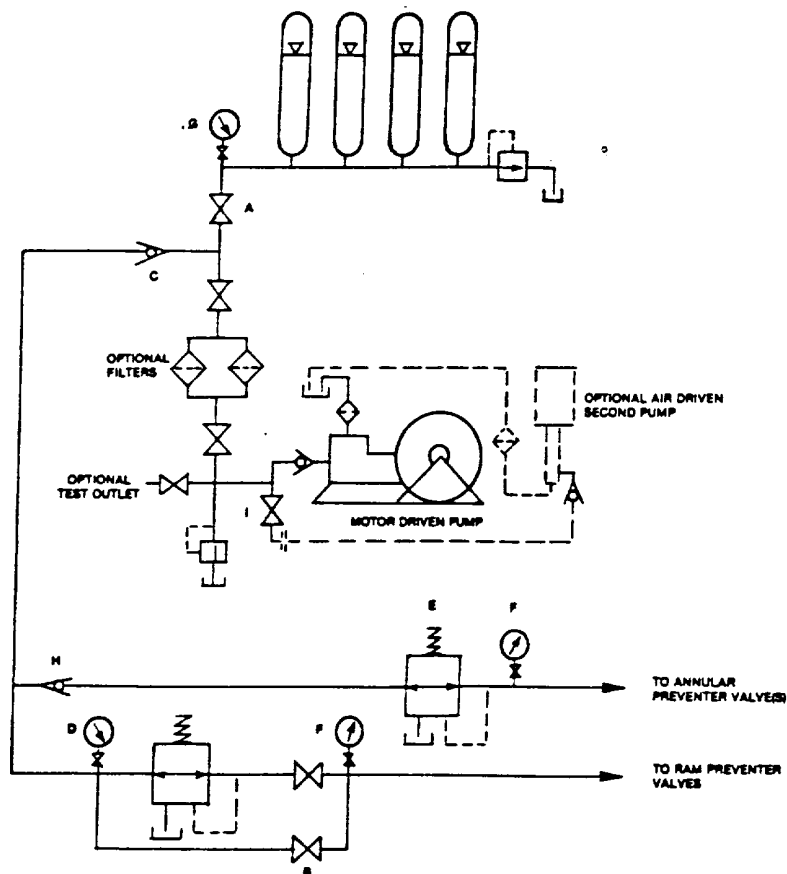


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

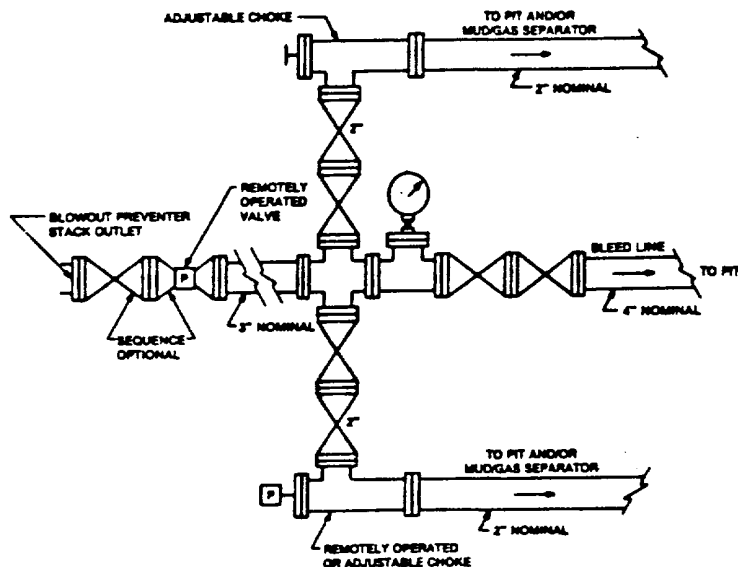


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.

EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

OCEAN ENERGY, INC.
SHUGART "28" FEDERAL # 2
UNIT "F" SECTION 28
T18S-R31E EDDY CO. NM

30-015-31639

OCRID 169355

PROP 23537

POOI

Called Seane
McMillan left message
for NSL

MC 1