Form 3160-3
(July 1992)

DRILLING WILL BE AVAILABLE MAY 1 2002

SUBMIT IN TRIPLICATE (Other instructions on reverse side)

N.M. Oil Cons. Div-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

dsf

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.: NM-0560289

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: ----------

7. UNIT AGREEMENT NAME: ---------- 23723

8. FARM OR LEASE NAME, WELL NO.: BURTON FLAT DEEP UNIT #44

1a. TYPE OF WORK: DRILL [XX] DEEPEN [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER — SINGLE ZONE [X] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR: OCEAN ENERGY, INC. (JEANIE McMILLAN) 162355

3. ADDRESS AND TELEPHONE NO.: 1001 FANNIN SUITE 1600 HOUSTON, TEXAS 77002 (713-265-6834)

9. API WELL NO.: 30-015-32274

10. FIELD AND POOL, OR WILDCAT: WILDCAT- DEVONIAN

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 3555' FSL & 1660' FWL SEC. 3 LOT 14 T21S-R27E EDDY CO. NM.
At proposed prod. zone: SAME Lot 14

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: SECTION 3 T21S-R27E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: Approximately 10 miles Northeast of Carlsbad New Mexico.

12. COUNTY OR PARISH: EDDY CO. 13. STATE: NEW MEXICO

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
1660'	640	320
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
1600'	13,000'	ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3197' GR. Carlsbad Controlled Water Basin

22. APPROX. DATE WORK WILL START*: May 1 2002

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor	NA	40'	Cement to surface with Redi-mix
17½"	H-40 13 3/8"	48	600'	500 Sx. circulate cement to sur.
12¼"	K-55 9 5/8"	36	2800'	1085 Sx " "
8 3/4"	HCL-80,P-110 7"	26	13,000'	825 Sx. estimate TOC 6500'±

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17½" hole to 600'. Run and set 600' of 13 3/8" 48# H-40 ST&C casing. Cement with 300 Sx. of 35/65 POZ Class "C" cement + 6% Gel, + ¼# Celoflakes/Sx., + 2% CaCl, tail in with 200 Sx. of Class "C" cement + 2% CaCl, circulate cement to surface.
3. Drill 12¼" hole to 2800'. Run and set 2800' of 9 5/8" K-55 36# LT&C casing. Cement with 200 Sx. of Class "H" cement + 10% A-10, + 10# LCM/Sx., + ¼# Celoflakes/Sx. ,+ 1% CaCl, 685 Sx. of 35/65 POZ Class "C" + 6% Gel, + 5# LCM-1 + ¼# Celoflakes/Sx. + 1% CaCl, tail in with 200 Sx. of Class "C" cement + 1% CaCl, circulate cement to surface.
4. Drill 8 3/4" hole to 13,000'. Run and set 13,000' of 7" 26# P-110 & HCL-80 LT&C casing. Cement with 825 Sx. of Class "C" 15/61/11 POZ + additives (use caliper log to calculate volumes of cement needed to bring top of cement at least 500' above the upper most productive zone).

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.

24.

SIGNED Joe T Garcia TITLE Agent DATE 03/20/02

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

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:

APPROVED BY /S/ JOE G. LARA ACTING TITLE FIELD MANAGER DATE APR 22 2002

*See Instructions On Reverse Side

APPROVAL FOR 1 YEAR

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

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 and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Devonian Wildcat

Property Code	Property Name	Well Number
	BURTON FLAT DEEP UNIT	44

OGRID No.	Operator Name	Elevation
169355	OCEAN ENERGY, INC.	3197'

Surface Location

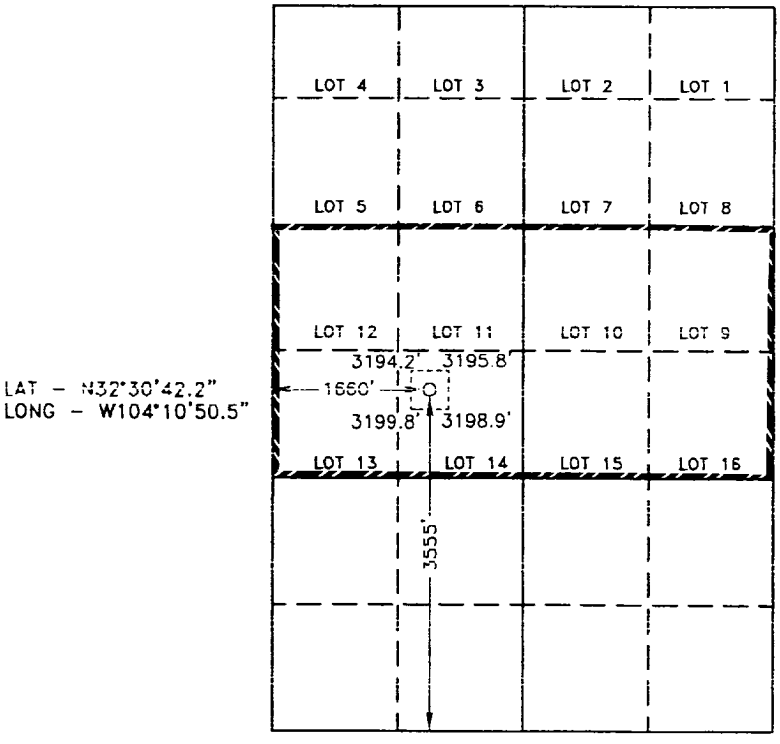
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 14	3	21 S	27 E		3555	SOUTH	1660	WEST	EDDY

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



LAT - N32°30'42.2"
LONG - W104°10'50.5"

SCALE 1" = 2000'

EXHIBIT "A"

OPERATOR CERTIFICATION

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

Jeanie McMillan
Signature

Jeanie McMillan
Printed Name

Sr. Regulatory Specialist
Title

3/13/02
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 supervison, and that the same is true and correct to the best of my belief.

FEBRUARY 21, 2002
Date Surveyed

Signature & Seal of Professional Surveyor

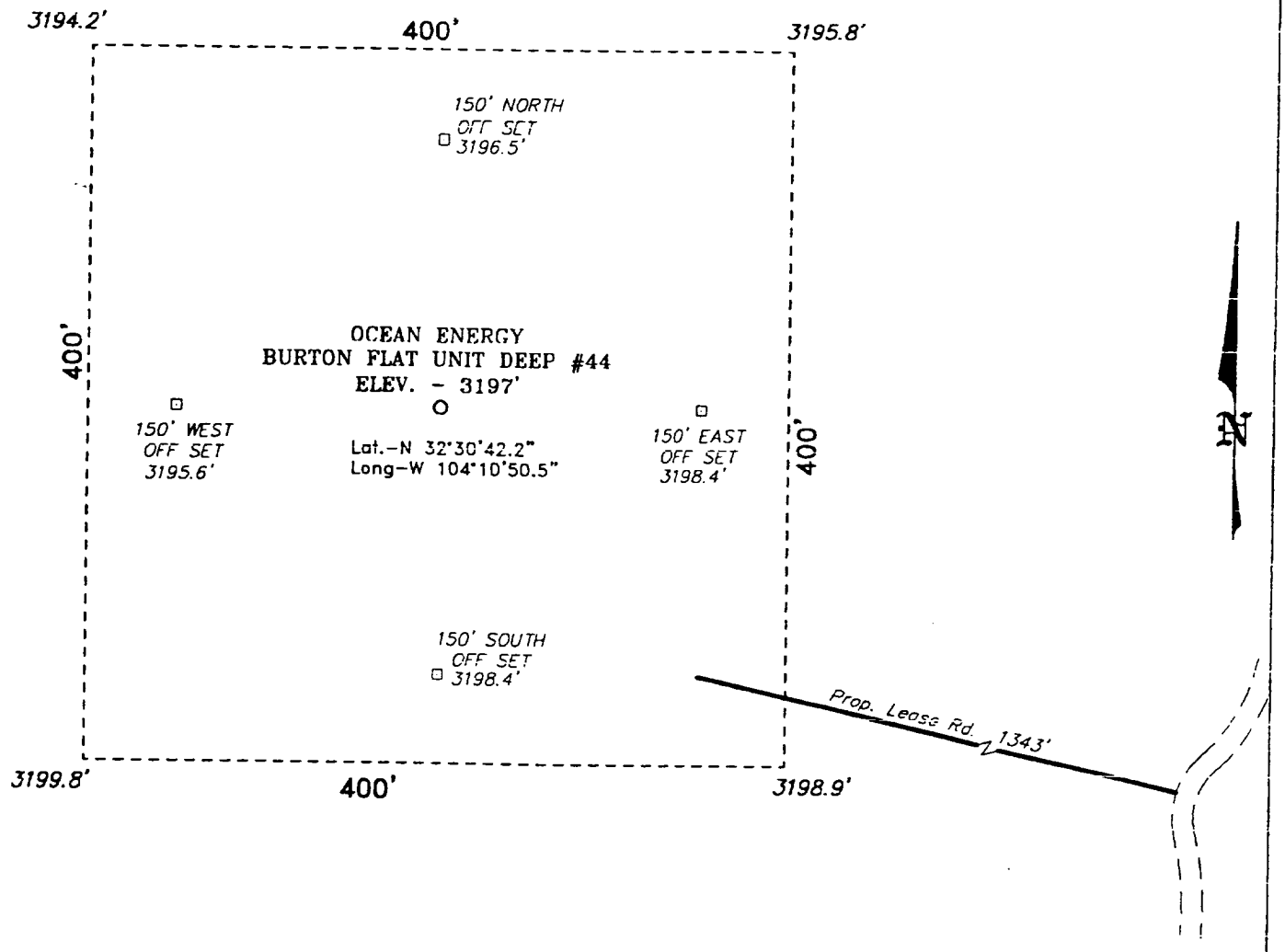
GARY L. JONES
NEW MEXICO
7977
REGISTERED PROFESSIONAL LAND SURVEYOR

W.O. No. 2309

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

SECTION 3, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



Directions to Location:

FROM THE JUNCTION OF CO. RD. 206 (ILLINOIS CAMP) AND CO. RD. 600 (RAINS ROAD), GO EASTERLY ON RAINS ROAD FOR 2.2 MILES TO A 4-WAY INTERSECTION; THENCE CONTINUE STRAIGHT GOING EAST/NORTHEAST FOR 1.2 MILE TO A FORK; THENCE TAKE LEFT FORK 0.1 MILE TO PROPOSED LEAE ROAD LEFT.

100 0 100 200 FEET

SCALE: 1" = 100'

OCEAN ENERGY

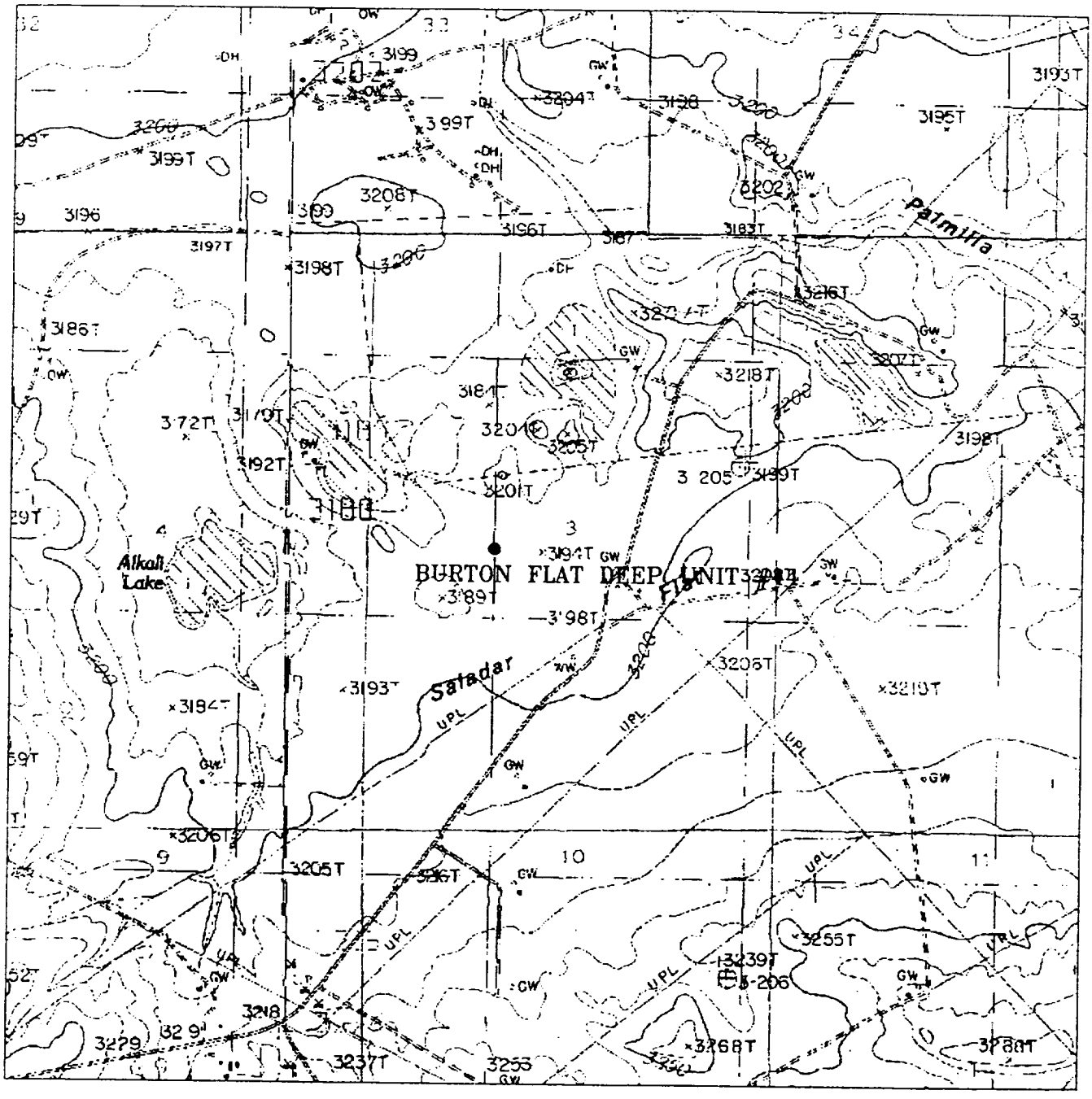
REF: BURTON FLAT DEEP UNIT #44 / Well Pad Topo

THE BURTON FLAT DEEP UNIT #44 LOCATED 3555' FROM THE SOUTH LINE AND 1660' FROM THE WEST LINE OF SECTION 3, TOWNSHIP 21 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 2309 | Drawn By: K. GOAD

Date: 02-25-2002 | Disk: KJG CD#4 2309A.DWG

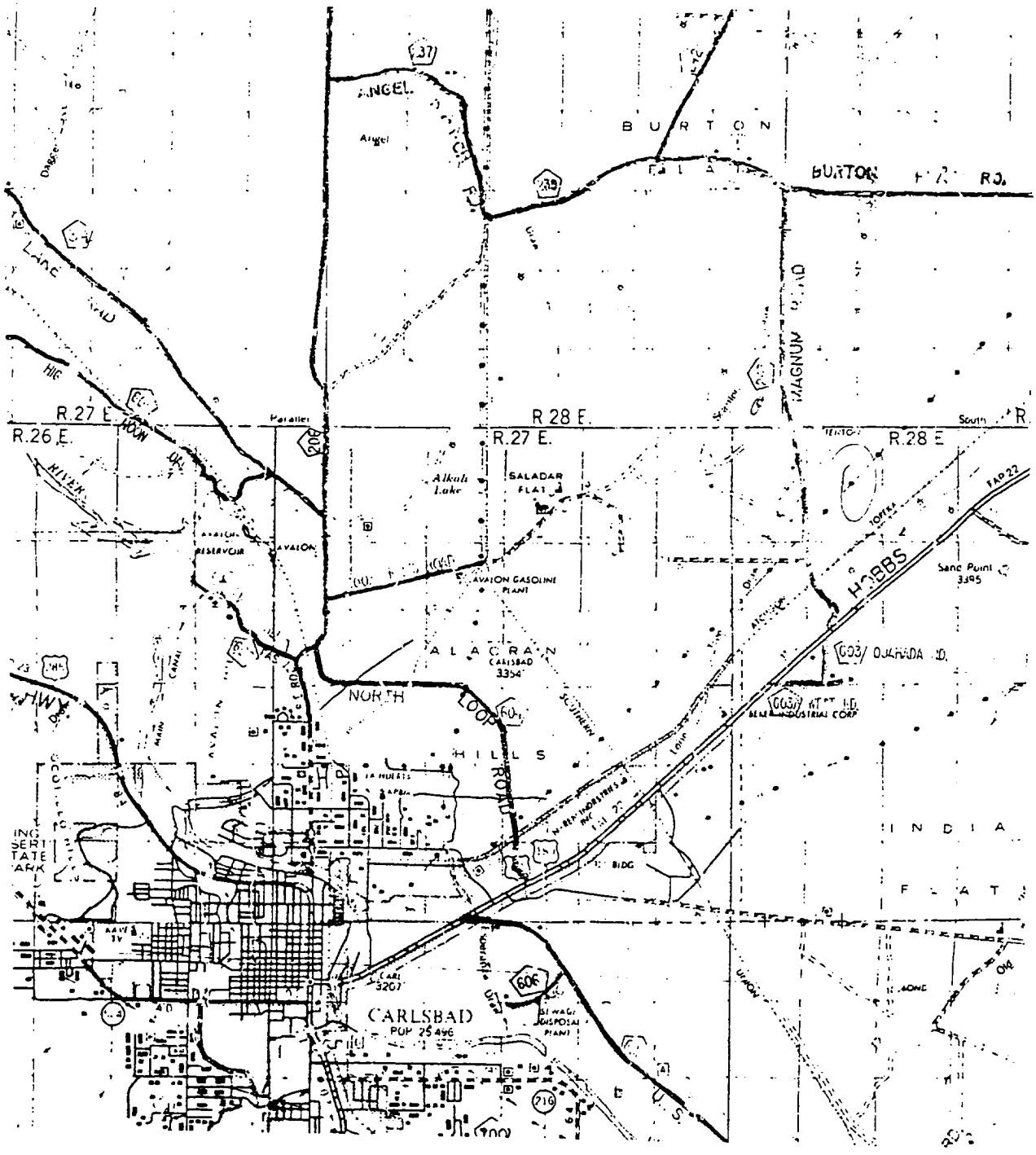


BURTON FLAT DEEP UNIT #44
Located at 3555' FSL and 1660' FWL
Section 3, Township 21 South, Range 27 East,
N.M.P.M., Eddy County, New Mexico.

Basin surveys
focused on excellence in the oilfield
P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

W.O. Number:	2309AA - KJG CD#4
Survey Date:	02-21-2002
Scale:	1" = 2000'
Date:	02-25-2002

OCEAN ENERGY



BURTON FLAT DEEP UNIT #44
Located at 3555' FSL and 1660' FWL
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(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

W.O. Number:	2309AA - KJG CD#4
Survey Date:	02-21-2002
Scale:	1" = 2 MILES
Date:	02-25-2002

OCEAN ENERGY

APPLICATION TO DRILL

OCEAN ENERGY, INC.

Burton Flat Deep Unit Well #44
Lot 14, Sec. 3, T21S, R27E

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is provided for your consideration.

1. Location: 3555' FSL & 1660' FWL, Section 3, T21S-R27E Eddy Co. NM

2. Elevation above Sea Level: 3197' GR

3. Geologic name of surface formation:

4. Drilling tools and associated equipment: Conventional rotary drilling rig using drilling mud as a circulating medium for solids removal from hole.

5. Proposed drilling depth: 13000'

6. Estimated tops of geological markers:

Capitan	710'	Atoka	10520'
Delaware	2750'	Morrow	11000'
Bone Springs	5100'	Barnett	11460'
1st BS	6320'	Mississippian	11960'
2nd BS	7050'	Woodford Sh	12360'
3rd BS	8400'	Devonian	12430'
Wolfcamp	8760'	Porosity	12530'
Strawn	10040'	TD	13000'

7. Possible mineral bearing formation:

Strawn	10040' Oil & Gas
Morrow	11000' Gas
Devonian	12530' Gas

8. Casing program:

Hole size	Interval	OD of casing	Weight	Thread	Collar	Grade
20"	0-40'	20"	60	NA	NA	Conductor
17-1/2"	0-600'	13-3/8"	40	8-R	ST&C	H-40
12 ¼"	0-2800'	9-5/8"	36	8-R	LT&C	K-55
8-3/4"	0-13000'	7"	26	8-R	LT&C	HCL-80 & P-110

9. Cementing and setting depth:

20"	Conductor	Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
13-3/8"	Surface	Set 600' of 13-3/8" H-40, 40# ST&C csg. Cement with 300 sx of 35/65 POZ Class "C" cement + 6% Gel + 2% $CaCl_2$ + 0.25% Cello Flake, and 200 sx Class "C" + 2% $CaCl_2$, circ cement to surface.
9-5/8"	Intermediate	Set 2800' of 9-5/8" K-55 32# LT&C csg. Cement with 200 sx of Class "H" + 10% A-10 + 10 lb/sx LCM-1 + 0.25 lb/sx Cello Flake + 1.0% $CaCl_2$ and 685 sx 35/65 POZ Class "C" + 6% Gel + 5 lb/sx LCM-1 + 1.0% $CaCl_2$ + 0.25 #/sx Cello Flake and tail in with 200 sx of Class "C" cement + 1.0% $CaCl_2$, circulate cement to surface.
7	Production	Set 13000' of 7" 26# HCL-80 & P-110 LT&C csg. Cement with 825 sx of Class "C" 15/61/11 POZ + additives. Estimate top of cement 500' above uppermost productive interval. Cement volumes will be adjusted based on open-hole caliper log.

10. Pressure control equipment: Exhibit "E". A 10000-PSI working pressure B.O.P. consisting of a double ram type preventor with a 5000-PSI bag type annular preventor. BOP unit will be hydraulically operated. Exhibit "E-1". Choke manifold and closing unit. BOP will be nippled up on 13-3/8" casing and will be operated at least once each 24 hr. period while drilling and blind rams will be operated when out of hole during trips. Flow sensor, PVT, full opening stabbing valve and upper kelly cock will be utilized from 2800' to TD. No abnormal pressure or temperature is expected while drilling.

11. Proposed mud circulating system:

50 - 600'	8.4 – 9.0	32-36	NC		Fresh water mud use paper to control seepage add Bentunite/ Soda Ash for Viscosity.
600 - 2800'	9.0 - 10.1	32-34	NC	FRESH	~~Brine~~ water ~~Salt Gel~~ add paper to control seepage, high viscosity sweeps to clean hole.
2800 - 8700'	8.4 – 9.0	32-38	NC		Fresh water / cut brine, use caustic soda to maintain pH @ 9.5-10.5 high viscosity sweeps to clean if necessary.
8700 - 13000'	9.0 - 10.0	32 - 50	15 - <8cc 6-10 for DST		Cut brine and Polymer, maintain pH with Caustic Soda @ 9.0-10.0 high viscosity sweeps to clean if necessary.

Sufficient mud materials will be kept on location or available at the nearest stocking points at all times in order to combat lost circulation and unexpected kicks. In order to run DST's, open hole logs and casing the viscosity and water loss may have to be adjusted to meet these needs.

12. Testing, logging and casing program:

A. Open hole logs: Fluid caliper from 600-2800'.
B. CNL/LDT, Gamma Ray with caliper from TD to 2800.
C. Dual Lateral, Compensated Sonic, Gamma Ray from TD to 2800'.
D. Cement Bond Log Gamma Ray and CCL TD to top of cement.
E. Mud logger on at 2800' to TD.
F. DST's as warranted in Strawn and Devonian formations.

13. Potential hazards:
No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered; H_2S detectors will be in place to detect any presence after setting the surface casing. There is the potential for lost circulation in the Wolfcamp, Cisco, Canyon formations. All personal will be familiar with all aspects of safe operation of equipment being used. Estimated BHP 6200 PSI, estimated BHT 185°.

14. Anticipated starting date and duration of operation:
Road and location construction will begin after BLM approval of APD. Anticipated spud date as soon as approved. Drilling expected to take 40 days. If production casing is run an additional 30 days will be required to complete and construct surface facilities.

15. Other facets of operations:
After running casing, cased hole gamma ray cement bond and collar logs will be run from total depth over possible pay intervals. The Devonian or the Morrow/Strawn pay will be perforated and stimulated. The well will be swab tested and potentialed as a gas well.

OCEAN ENERGY, INC.
NEW WELL DATA SHEET

OPERATOR: OCEAN ENERGY, INC. *WELL NAME:* BURTON FLAT DEEP UNIT #44

LOCATION: 3555' FSL & 1660' FWL OF SEC 3, 20S-28E

COUNTY: EDDY STATE: NEW MEXICO

ELEV: GL(est): 3200' KB (est) 3220 TD: 12800'

TOPS:				
	Capitan	710	2,510	
	Delaware	2,750	470	
	Bone Springs	5,100	-1,880	
	1st BS	6,320	-3,100	
	2nd BS	7,050	-3,830	
	3rd BS	8,400	-5,180	
	Wolfcamp	8,760	-5,540	
	Strawn	10,040	-6,820	Pay
	Atoka	10,520	-7,300	
	Morrow	11,000	-7,780	Pay
	Barnett	11,460	-8,240	
	Mississippian	11,960	-8,740	
	Woodford	12,360	-9,140	
	Devonian	12,430	-9,210	
	Porosity	12,530	-9,310	Pay
	TD	12,800	-9,580	

LOGGING SUITE: **CNL/LDT**, SPECTRAL-GR, CALIPER, PEF - TD TO CSG , W/GR/CNL ON UP TO SURFACE
*PEF CURVE SET TO HALF SCALE, 1" CORRELATION LOG ON CNL/LDT ONLY.
DLL, W/RXO, GR, CALIPER - TD TO CSG; **SONIC** TD TO CSG; **RFT:** SELECTED INTERV

CASING: 1st CP @ 2780'; possible 2nd CP (Base of Morrow) @ 11,460'

CORES: NONE

DST'S: TWO POSSIBLE (STRAWN & DEVONIAN)

MUDLOGGER: ON FROM INTERMEDIATE CASING (~2780') TO TD.

SAMPLES: 10' FROM 3000' TO TD. BAGGED FOR PICK-UP BY MIDLAND SAMPLE LIBRARY.

GEOLOGIST: FRANK MOTYCKA 713-265-6736 (w) 281-379-2295 (h)
ALTERNATE:

DATE AFE SIGNED: DATE SENT TO LAND:

CAPITAL:	MANAGED:		OERI		PROG:	
"LOE"/WI:	MANAGED:		OERI		PROG:	
NRI:	MANAGED:		OERI		PROG:	

COMMENTS: OFFSET WELL: **MONSANTO BURTON FLAT UNIT #1** SEC 3, 21S-27E TD@ 11,700'
NEAREST DEVONIAN TEST: **HUMBLE CEDAR HILLS UNIT #1** SEC 15 21S-27E TD @ 12,800'

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

1. All Company and Contract personnel admitted on location must be trained by a qualified H_2S safety instructor to the following:

   A. Characteristics of H_2S
   B. Physical effects and hazzards
   C. Proper use of safety equipment and life support systems.
   D. Principle and operation of H_2S detectors, warning system and briefing areas.
   E. Evacuation procedure, routes and first aid.
   F. Proper use of 30 minute pressure demand air pack.

2. H_2S Detection and Alarm Systems

   A. H_2S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.

3. Windsock and/or wind streamers

   A. Windsock at mudpit area should be high enough to be visible.
   B. Windsock at briefing area should be high enough to be visible.
   C. There should be a windsock at entrance to location.

4. Condition Flags and Signs

   A. Warning sign on access road to location.
   B. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H_2S present in dangerous concentration. Only emergency personnel admitted to location.

5. Well control equipment

   A. See exhibit "E"

6. Communication

   A. While working under masks chalkboards will be used for communication.
   B. Hand signals will be used where chalk board is inappropriate.
   C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephoned will be available at most drilling foreman's trailer or living quarters.

7. Drillstem Testing

   A. Exhausts will be watered.
   B. Flare line will be equipped with an electric ignitor or a propane pilot light in case gas reaches the surface.
   C. If location is near any dwelling a closed D.S.T. will be performed.

8. Drilling contractor supervisor will be required to be familiar with the effects H_2S has on tubular goods and other mechanical equipment.

9. If H_2S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas seperator will be brought into service along with H_2S scavengers if necessary.

SURFACE USE PLAN

OCEAN ENERGY, INC.
BURTON FLAT DEEP UNIT # 44
LOT 14 SECTION 3
T21S-R27E EDDY CO. NM

1. EXISTING AND PROPOSED ROADS: Area maps: Exhibit "B" is a reproduction of a County General Hi-way map showing access roads to the location. Exhibit "C" is a reproducti of a USGS Topographic map showing existing roads in close proximity to the location and the proposed access roads. All existing roads will be maintained in a condition equal to or better than their current conditions. All new roads will be constructed to BLM specifications.

A. Exhibit "A" shows the location of the proposed well site as staked.

B. From Hobbs New Mexico take U.S. Hi-way 62-180 toward Carlsbad New Mexico go approximately 65 miles to mile post 39 turn Right on North Loop Road go to the junction with CR-206 turn Right North follow Cr-206 1.3 miles± to CR-600 (Rains Road) turn Right follow Black Top for 2,2± miles bear Northeast go 1.4 miles turn Left (West) go 1400' to location.

2. PLANNED ACCESS ROADS: Approximately 1400' of new road will be constructed.

A. The access road will be crowned and ditched to a 12' wide traveled surface with a 40' Right-Of-Way.

B. Gradient on all roads will be less than 5% if possible.

C. Turn-outs will be constructed where necessary.

D. If needed roads will be surfaced to the BLM requirements with material obtained from a local source.

E. Center line of new road will be flagged.

F. The new road will be constructed to utilize low water crossings where drainage currently exists, and culverts will be installed where necessary.

3. EXHIBIT "A-1" SHOWS THE BELOW LISTED TYPE WELLS WITHIN A 1 MILE RADIUS:

A. Water wells	-	One approximately 1700' Southeast of location.
B. Disposal wells	-	None known
C. Drilling wells	-	None known
D. Producing wells	-	As shown on Exhibit "A-1"
E. Abandoned wells	-	As shown on Exhibit "A-1"

4. If, upon completion this well is a producer Ocean Energy, Inc. will furnish maps and/or plats showing on site facilities or off site facilities if needed. This will be accompanied with a Sundry Notice.

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and trucked over the access roads or piped in flexible lines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction will be obtained from the excavation of drill site, if additional material is needed it will be purchased from a local source and transported over the access route as shown on Exhibit "C".

7. METHODS OF HANDLING WASTE MATERIAL:

A. Drill cuttings will be disposed of in the reserve pit.

B. All trash, junk and other waste material will be contained in trash cages or bins to prevent scattering. When the job is completed all contents will be removed and disposed of in a approved sanitary land fill.

C. Salts remaining after completion of well will be picked up by supplier including broken sacks.

D. Sewage from living quarters will drain into holes with a minium depth of 10'. These holes will be covered during drilling and will be back filled upon completion. A Ports-John will be provided for the rig crews. This equipment will be properly maintained during the drilling operations and removed upon completion of the well.

E. Remaining drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry enough for breaking out. In the event that drilling fluids do not evaporate in a reasonable time they will be hauled off by transports and be disposed of at a state approved disposal facility. Later pits will be broken out to speed drying. Water produced during testing will be put in reserve pits. Any oil or condensate produced will be stored in test tanks until sold and hauled from the site.

8. ANCILLARY FACILITIES:

A. No camps or airstrips to be constructed.

9. WELL SITE LAYOUT

A. Exhibit "D" shows the proposed well site layout.

B. This exhibit indicated proposed location of reserve and sump pits and living facilities.

C. Mud pits in the active circulating system will be steel pits & the reserve pit is proposed to be unlined unless subsurface condition encountered during pit construction indicate that lining is needed for lateral containment of fluids.

D. If needed, the reserve pit is to be lined with polyethelene. The pit liner will be 6 mils thick. Pit liner will extend a minimum 2'00" over the reserve pits dikes where the liner will be anchored down.

E. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

10. PLANS FOR RESTORATION OF SURFACE

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

However, in either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.B as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be contoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which are not required for production facilities.

SURFACE USE PLAN

OCEAN ENERGY, INC.
BURTON FLAT DEEP UNIT # 44
LOT 14 SECTION 3
T21S-R27E EDDY CO. NM

11. OTHER INFORMATION:

A. Topography consists of low relief flat flood plain, soil is sandy with scattered pods of gravel. Vegetation consists of native grasses, tar bush and shinnery oak.

B. Surface and minerals are owned by The U.S. Department of Interior and is administered by The Bureau of Land Management. Surface is used for the grazing of livestock and the production of oil and gas.

C. An archaeological survey will be conducted and a report filed with the Bureau of Land Management at the Carlsbad Field Office.

D. There are no dwellings located in the near vicinity of this location.

12. OPERATORS REPRESENTIVE:

BEFORE CONSTRUCTION:

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

DURING AND AFTER CONSTRUCTION:

OCEAN ENERGY, INC.
1001 FANNIN, SUITE 1600
HOUSTON, TEXAS 77002
JEANIE McMILLAN
PHONE 713-265-6834

13. CERTIFICATION: I certify that I or persons under my direct supervision have inspected the proposed drill site and access route, that I am familiar with the conditions which currently exist and that the statements made in this plan are to the best of my knowledge, are true and correct, and that the work associated with the operations proposed herein will be performed by OCEAN ENERGY, INC it's contractors/subcontractors and is in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provision of U.S.C. 1001 for the filing of a false report.

NAME : Joe T Janica

DATE : 03/20/02

TITLE : Agent

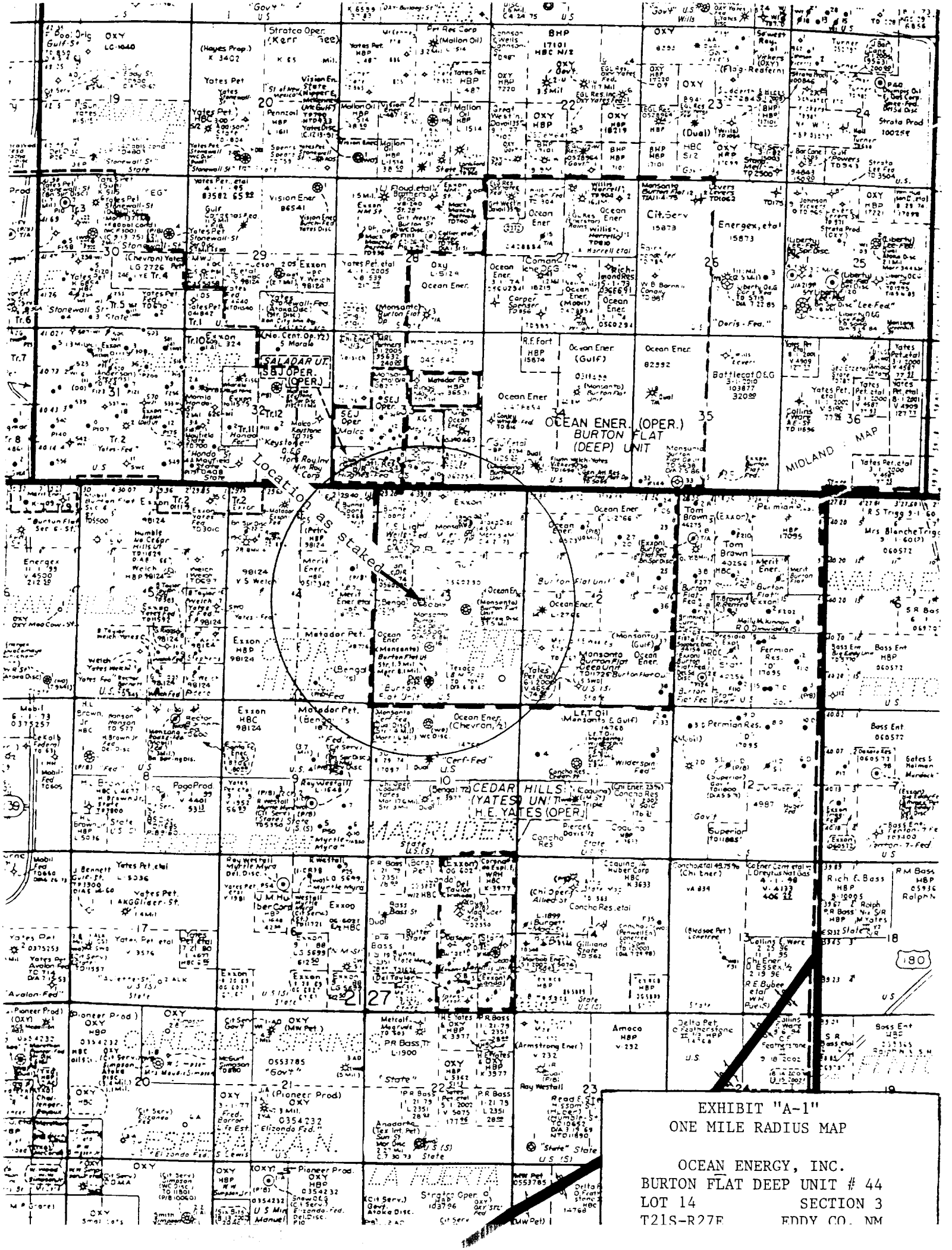


EXHIBIT "A-1"
ONE MILE RADIUS MAP

OCEAN ENERGY, INC.
BURTON FLAT DEEP UNIT # 44
LOT 14 SECTION 3
T21S-R27E EDDY CO. NM

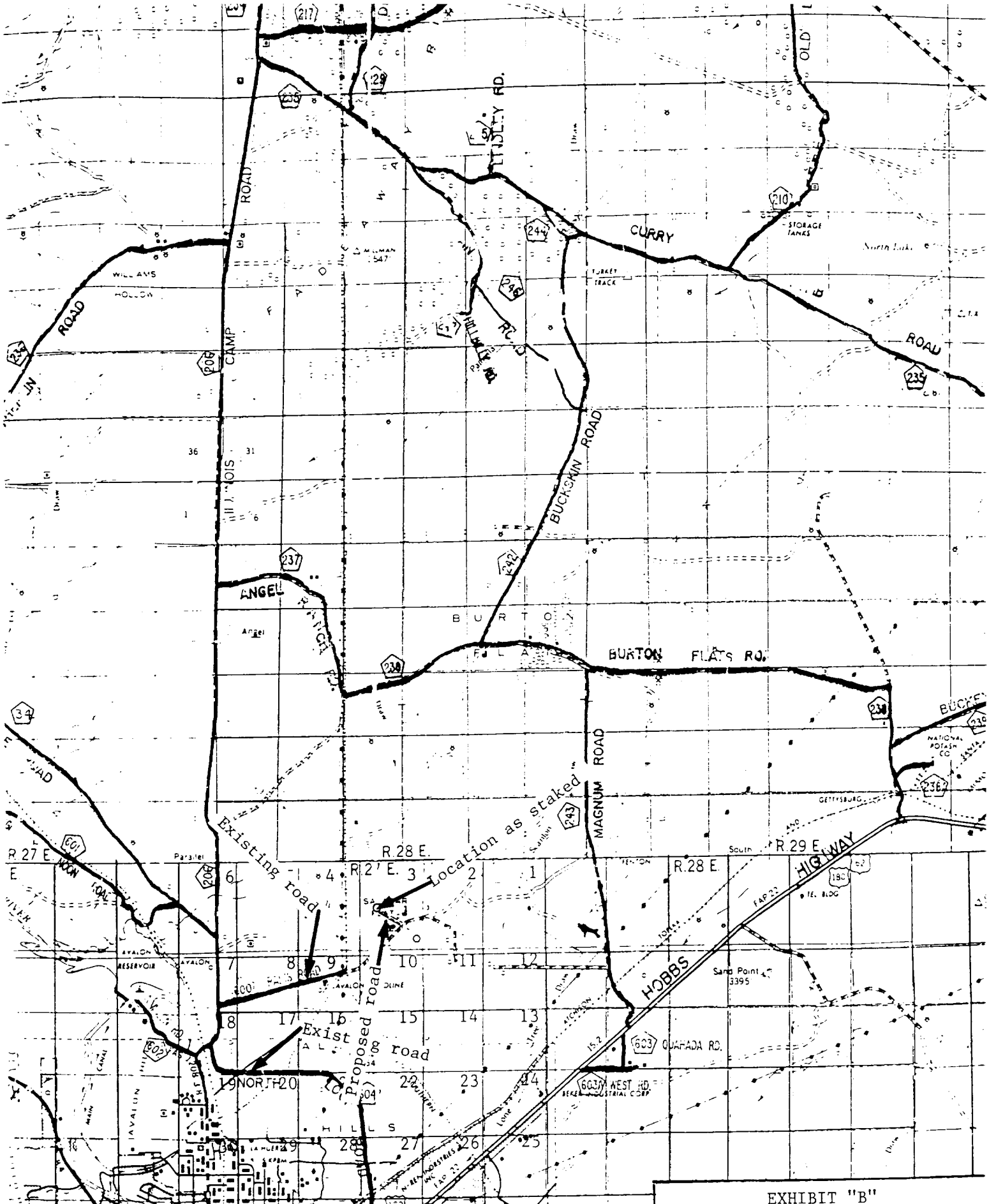


EXHIBIT "B"
LOCATION & ACCESS ROAD MAP

OCEAN ENERGY, INC.
BURTON FLAT DEEP UNIT # 44
LOT 14 SECTION 3
T21S-R27E EDDY CO. NM

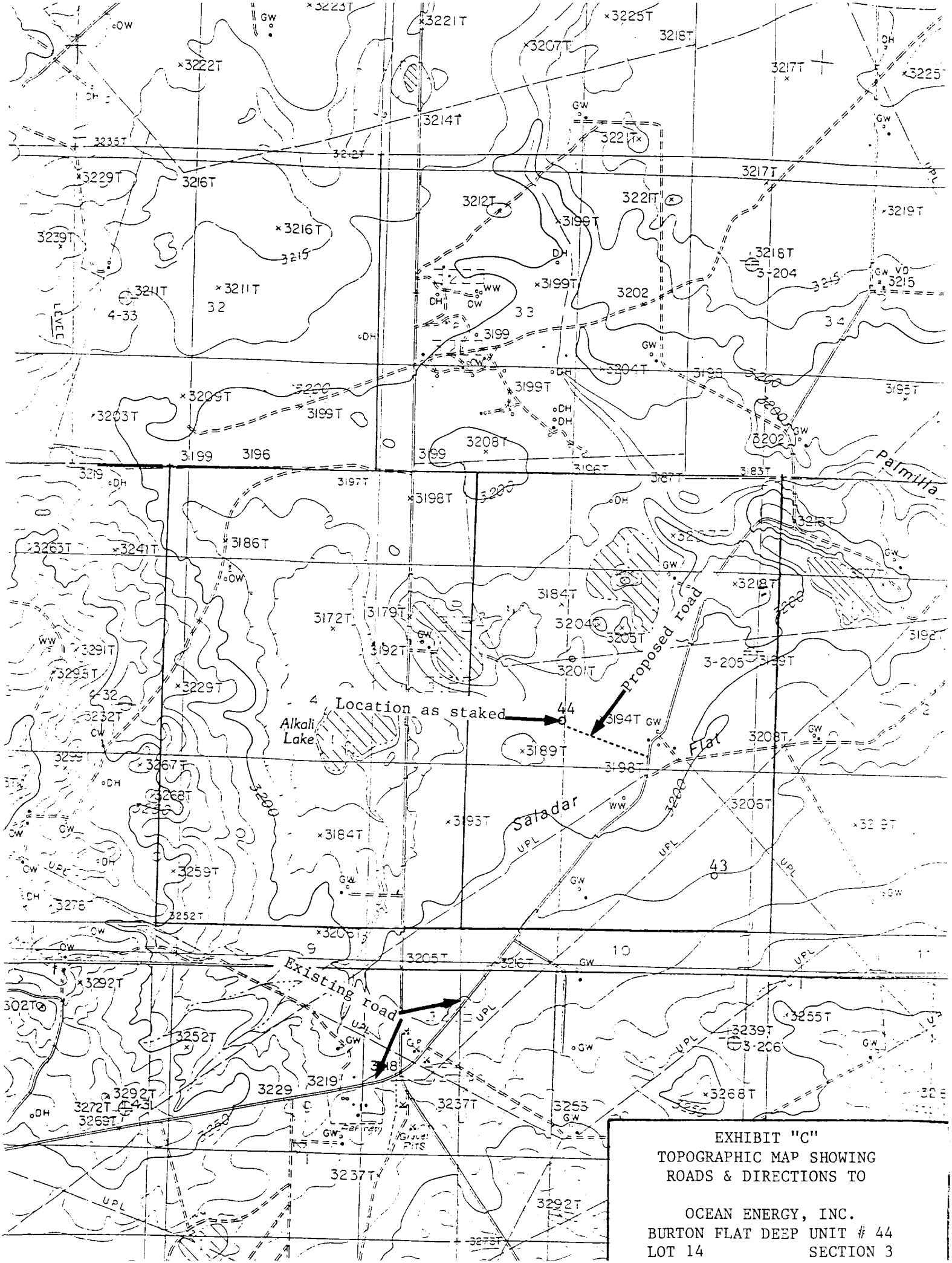
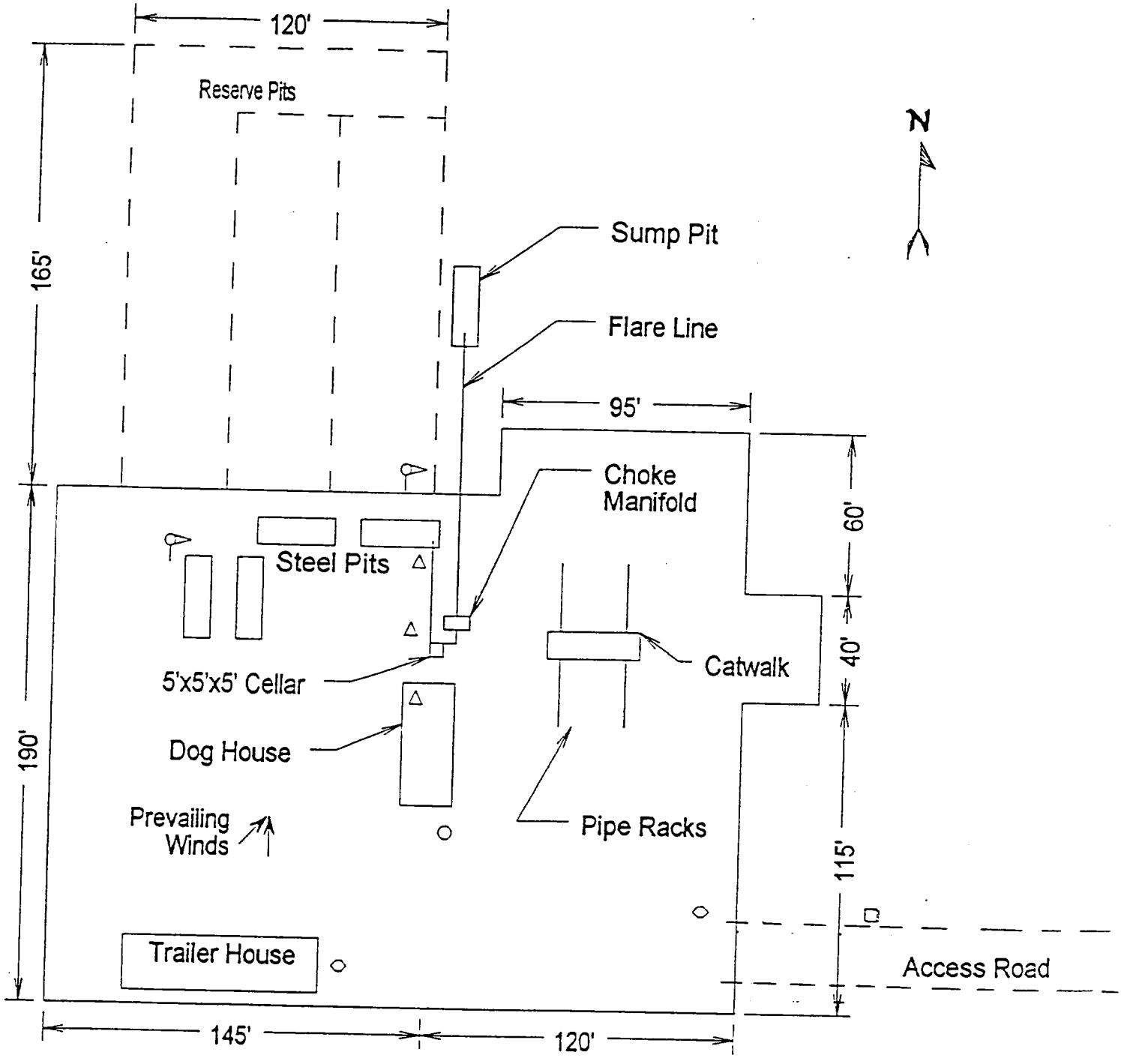


EXHIBIT "C"
TOPOGRAPHIC MAP SHOWING
ROADS & DIRECTIONS TO

OCEAN ENERGY, INC.
BURTON FLAT DEEP UNIT # 44
LOT 14 SECTION 3



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

EXHIBIT "D"
RIG LAY OUT PLAT

OCEAN ENERGY, INC.
BURTON FLAT DEEP UNIT # 44
LOT 14 SECTION 3
T21S-R27E EDDY CO. NM

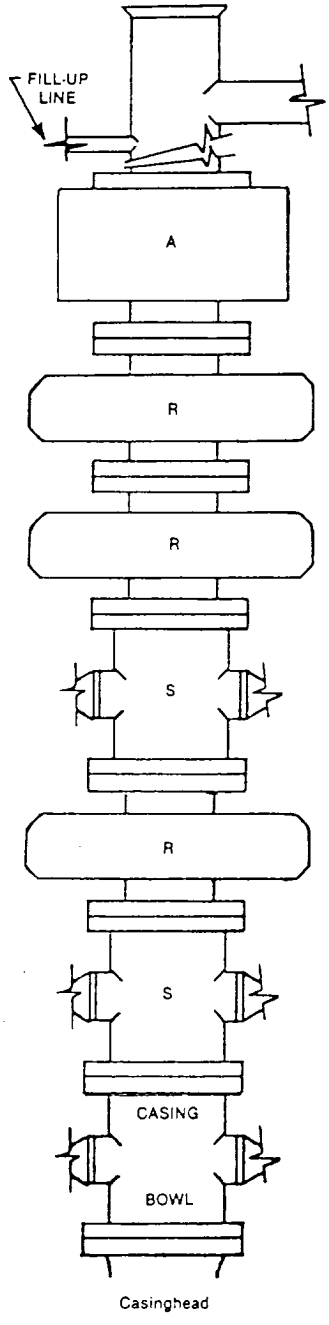


FIGURE K1-3. Recommended IADC Class 10 BOP stack arrangement SRSRRA, 10,000 psi WP. Lower drilling spool is optional with outlets on lower ram. Annular preventers may be 5000 or

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

OCEAN ENERGY, INC.
BURTON FLAT DEEP UNIT # 44
LOT 14 SECTION 3
T21S-R27E EDDY CO. NM

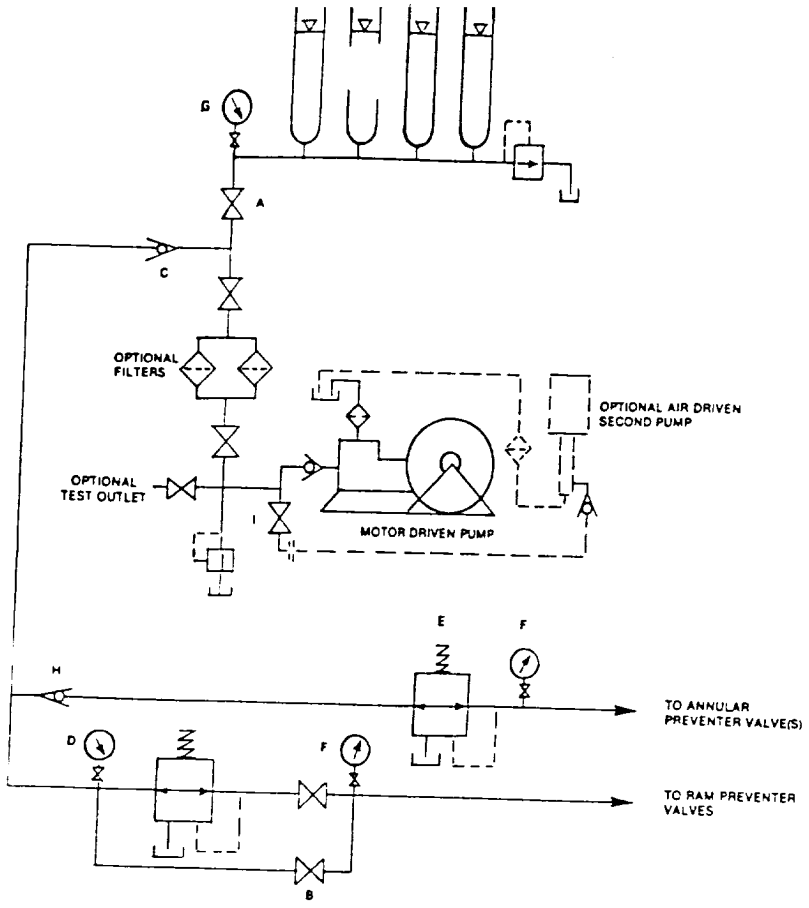


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

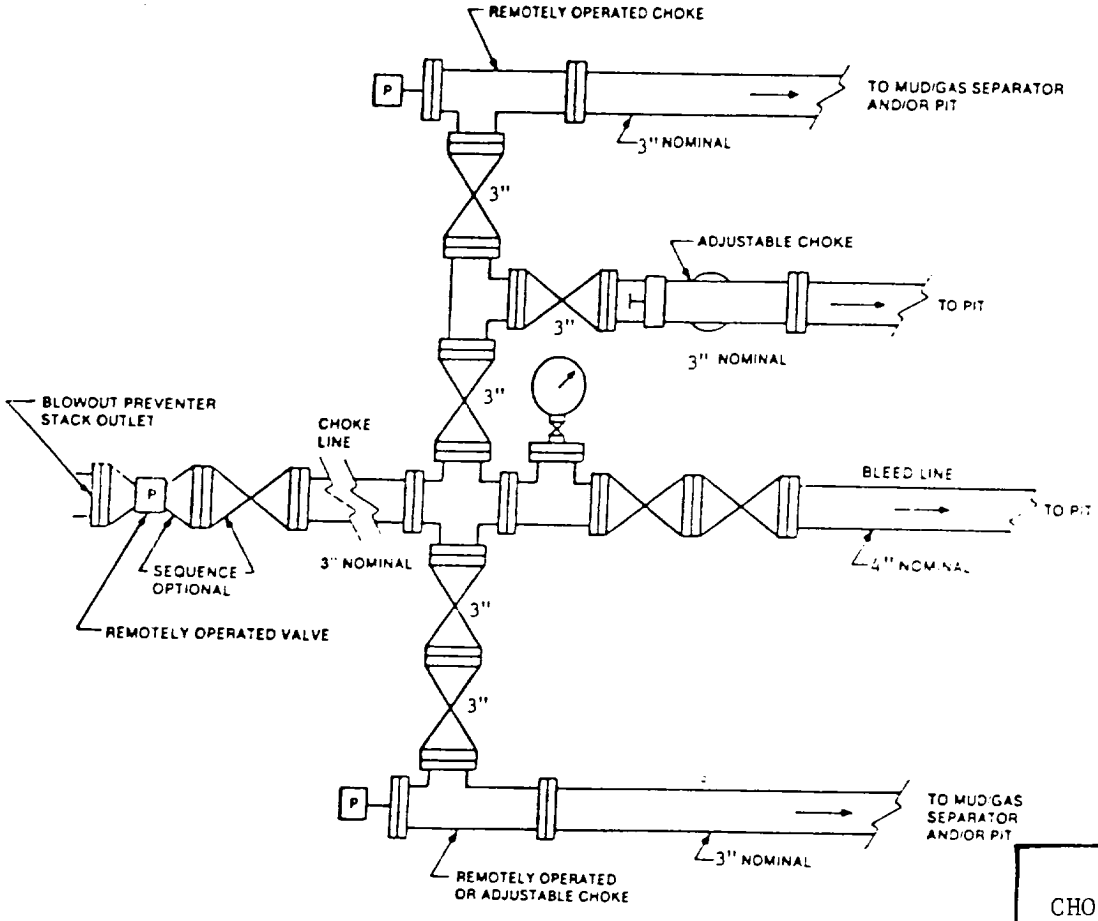


FIGURE K4-3. Typical choke manifold assembly for 10M and 15M rated working pressure service — surface installation.

EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

OCEAN ENERGY, INC.
BURTON FLAT DEEP UNIT # 44
LOT 14 SECTION 3
T21S-R27E EDDY CO. NM