

APPLICATION TO DRILL

OCEAN ENERGY, INC.

Kukui 31 #1

Sec. 31, T14S, R35E

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 nipped 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 6200' to TD. No abnormal pressure or temperature is expected while drilling

11. Proposed mud circulating system:

50 - 450'	8.4 - 9.0	32-36	NC	Fresh water mud use paper to control seepage add Bentunite/ Soda Ash for Viscosity.
500 - 6200'	9.0 - 10.1	32-34	NC	Brine water Salt-Gel add paper to control seepage, high viscosity sweeps to clean hole.
6200 - 9900'	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.
8000 - 14000'	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 500-6200'.
 - B. CNL/Gamma Ray with caliper from TD to surface.
 - C. Dual Induction, Dual Induction, Compensated Sonic, Gamma Ray from TD to 6200'.
 - D. Cement Bond Log Gamma Ray and CCL TD to top of cement.
 - E. Mud logger on at 6200' to TD.
- DST's as warranted in Wolfcamp and Strawn formations.

13. Potential hazards:

No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered; H₂S 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 personnel will be familiar with all aspects of safe operation of equipment being used. Estimated BHP 6500 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 50 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 Brunson/Mesa pay will be perforated and stimulated. The well will be swab tested and potentialized as a gas well.