

ABOVE THIS LINE FOR DIVISION USE ONLY

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



RECEIVED

MAY 09 2003

OIL CONSERVATION DIVISION

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST 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

[D] Other: Specify _____

[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] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

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

James Bruce		Attorney for Applicant	5/7/03
Print or Type Name	Signature	Title	Date
		jamesbruc@aol.com	
		e-mail Address	

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

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

jamesbruc@aol.com

May 7, 2003

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F(2), Ocean Energy, Inc. applies for approval of an unorthodox oil well location for the following well:

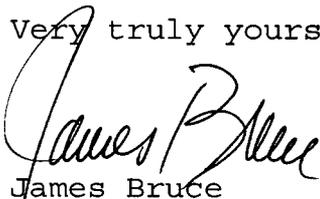
<u>Well:</u>	Kukui "31" Well No. 1 (30-025-35861)
<u>Location:</u>	1290 feet FNL & 1980 feet FEL
<u>Well Unit:</u>	NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 31, Township 14 South, Range 35 East, N.M.P.M., Lea County, New Mexico

The well was drilled in 2002 and completed in the Atoka/Morrow formations. Applicant intends to re-complete the well in the Wolfcamp formation. The well is apparently a wildcat in the Wolfcamp; the closest pool is the Morton-Wolfcamp Pool, 1 $\frac{1}{4}$ miles to the south. A Form C-102 for the well is attached as Exhibit A.

Lots 1, 2, NE $\frac{1}{4}$, and the E $\frac{1}{2}$ NW $\frac{1}{4}$ (the N $\frac{1}{2}$) of Section 31 is comprised of a single federal lease (NM 96249), which has common royalty, overriding royalty, and working interest ownership. Therefore, offset interest owners were not notified of this application.

Please call me if you need any further information on this matter.

Very truly yours,



James Bruce

Attorney for Ocean Energy, Inc.

DISTRICT I
1085 N. French Dr., Hobbs, NM 88240

DISTRICT II
511 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

Form C-102
Revised March 17, 1999

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

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		NORTH MORTON, BRUNSON MESA
Property Code	Property Name	Well Number
	KUKUI "31"	1
OGRID No.	Operator Name	Elevation
169355	OCEAN ENERGY, Inc.	4048'

Surface Location

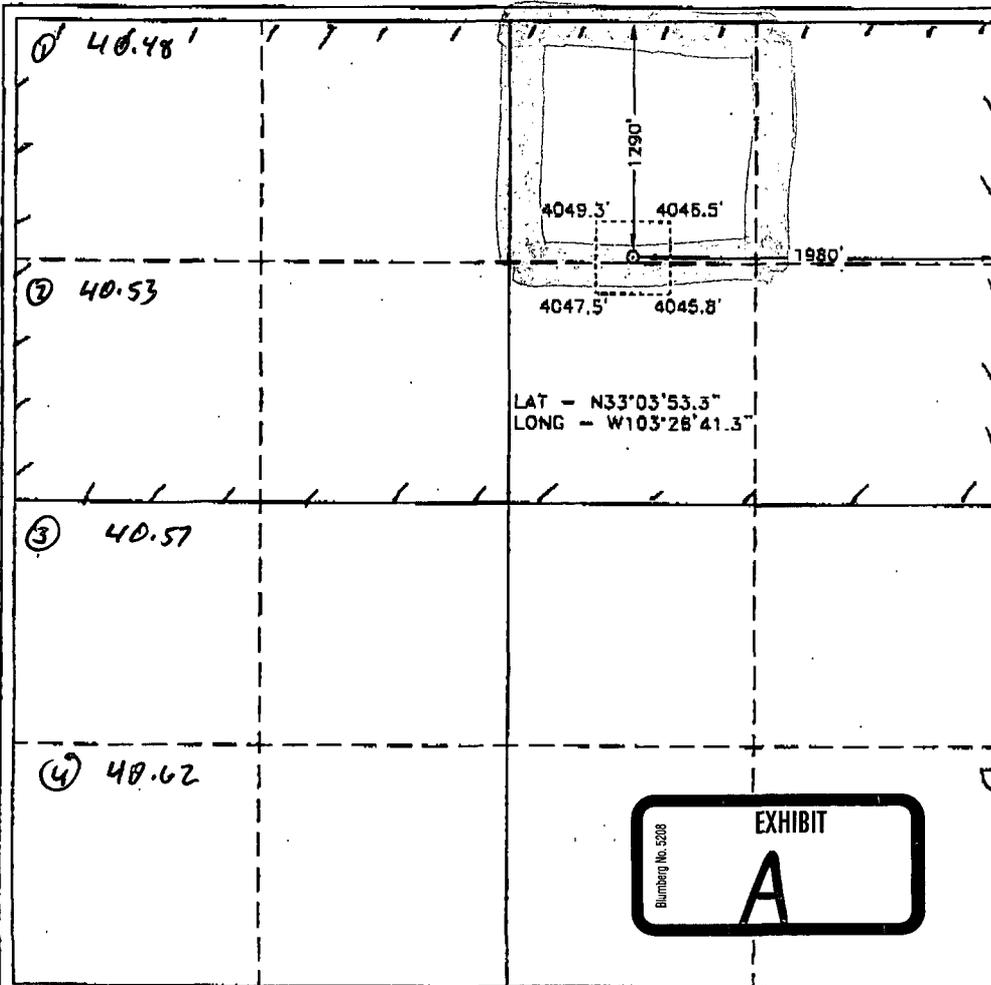
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	31	14 S	35 E		1290	NORTH	1980	EAST	LEA

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.
321.01			

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 that 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

2/5/02
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 supervision, and that the same is true and correct to the best of my belief.

January 30, 2002

Date Surveyed
Signature of Gary Jones
Professional Surveyor

NEW MEXICO
7977
W.O. No. 22
Certification No. Gary Jones 7977
REGISTERED PROFESSIONAL LAND SURVEYOR
CASIN SURVEYS

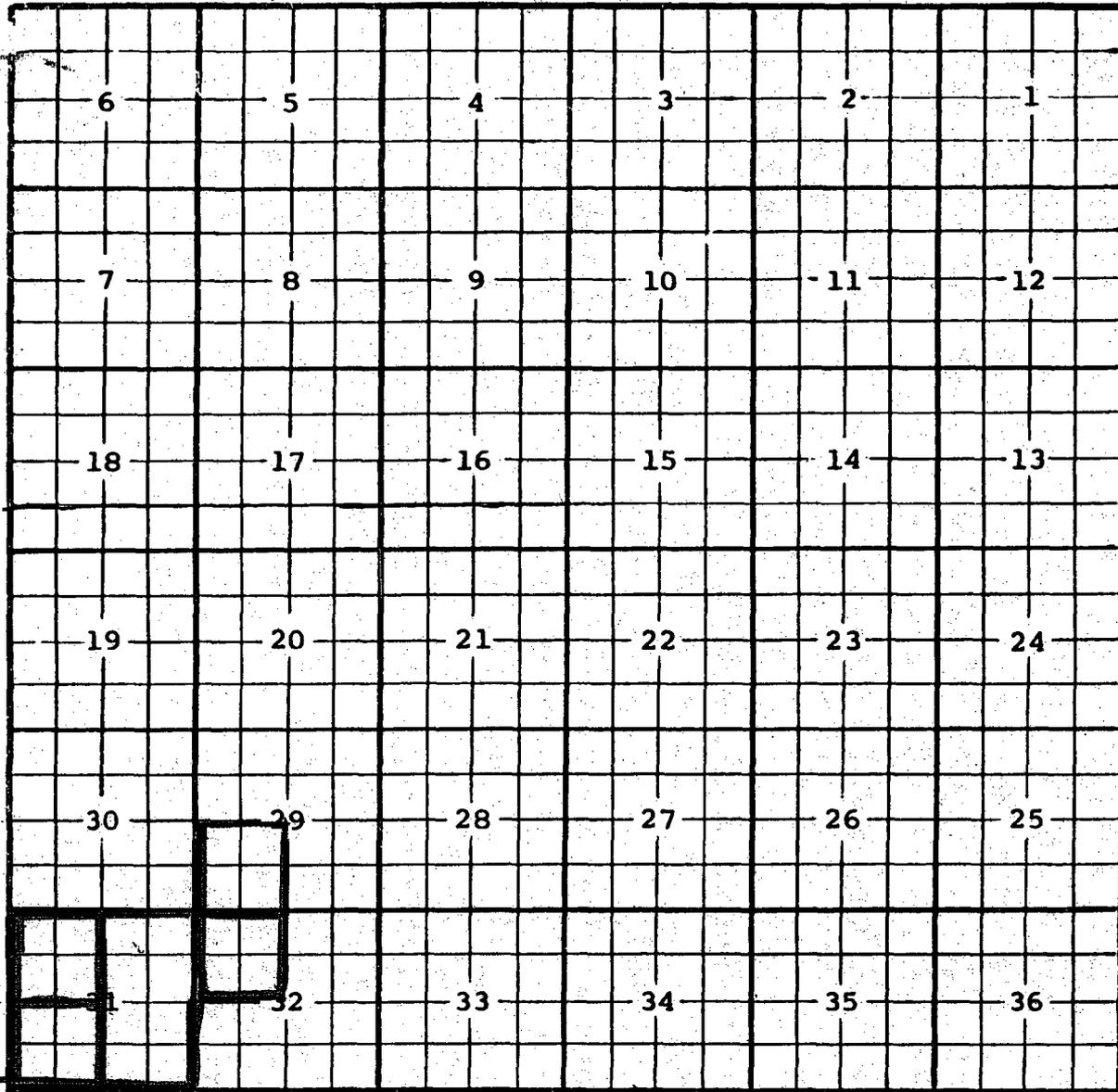
COUNTY Lea

POOL North Morton Permo - ^{Upper} Pennsylvanian

TOWNSHIP 14 South

RANGE 35 East

NMPM



Description: NW/4 Sec. 32 (R-3315, 9/11/67)

Ext: E/2 Sec. 31 (R-3367, 2-1-68) - NW/4 Sec. 31 (R-3389, 4-1-68) - SW/4 Sec. 31 (R-3505, 10-1-68)

- SW/4 Sec. 29 (R-3709, 4-1-69)

Contract vertical limits to include only the Wolfcamp, Cisco, Canyon and Strawn Formations and redesignate as North Morton - Permo Upper Pennsylvanian Pool (R-11728, 2-20-02)

