



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

September 26, 2006

Unit Petroleum Company
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Re: *Administrative application (administrative application reference No. pTDS0-620637698) filed on behalf of the operator, Unit Petroleum Company to amend Division Administrative Order NSL-5282 (BHL) to include the Wolfcamp and Yeso oil producing intervals within its recently drilled (a conventionally drilled directional wellbore) Monte Carlo Fed. Com. Well No. 1 (API No. 30-015-34372), located at a surface location 2385 feet from the North line and 271 feet from the East line (Unit H) of Section 1, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.*

Dear Mr. Bruce:

Per our telephone conversation on Wednesday, August 30, 2006, I requested a directional survey and the depths that this well encountered the tops of the Wolfcamp and Yeso formations. I received your September 25, 2006 correspondence with a well log attached showing the tops and bases of the Wolfcamp and Yeso formations; however, you did not include the directional survey. I also researched to no avail this information in the Division's database/well file. The information provided is insufficient; without the directional survey I cannot adequately determine the path of this wellbore, your application is therefore deemed incomplete. Unfortunately, time has run out, for I can no longer wait for you to provide me with this information. This filing is hereby **denied** and is being returned to you.

Thank you.

Sincerely,

Michael E. Stogner
Staff Engineer

MES/ms

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad
File: NSL-5282 (BHL)