

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

324 MCKENZIE STREET
SANTA FE, NEW MEXICO 87501

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

*NSL granted 8/2/02
per Jim Bruce's call;*

Jim

July 30, 2002

Hand Delivered

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 gas well location for the following well:

Well: Sink Fed. Well No. 2
Location: 660 feet FSL & 2302 feet FWL
Unit: S½ of Section 9, Township 16 South, Range 27 East,
N.M.P.M., Eddy County, New Mexico

The well was originally drilled to test the Strawn formation, and a copy of the original Form C-102 is attached as Exhibit A. The well has been recompleted as a wildcat Wolfcamp gas well, and a Form C-102 for the Wolfcamp formation is attached as Exhibit B. The well is spaced on 320 acres, with wells to be no closer than 660 feet to a quarter section line nor closer than 10 feet to a quarter-quarter section line.

All interest owners in the well unit will share in production. In addition, the location does not encroach on offsetting acreage. Therefore, no one was notified of this application.

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

Very truly yours,

James Bruce
James Bruce

Attorney for Ocean Energy, Inc.



