

COMMISSIONER'S OFFICE

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**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

COMMERCIAL RESOURCES

Phone (505) 827-5724

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MINERAL RESOURCES

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ROYALTY MANAGEMENT

Phone (505) 827-5772

Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793

Fax (505) 827-5711

October 29, 2001

Ocean Energy, Inc.
1001 Fannin, Suite 1600
Houston, Texas 77002

Attn: Mr. Derold Maney

Re: Burton Flat Deep Unit
Application for Initial Participating Area
Strawn Formation
Eddy County, New Mexico



Dear Mr. Maney:

Your application for the Burton Flat Deep Unit Initial Strawn Participating Area was received on October 22, 2001.

According to the data submitted, it is our opinion that the Burton Flat Deep Unit Well No. 13 located in the SW/4SE/4 of Section 28, Township 20 South, Range 28 East is a non-commercial well in the Strawn formation.

Since the Burton Flat Deep Unit Well No. 13 is non-commercial, it should be produced on a lease basis. Please submit a communitization agreement for the Strawn formation covering the S/2 of Section 28, Township 20 South, Range 28 East.

In addition please also submit the following:

1. Resignation from UMC Petroleum Corporation as the operator of the Burton Flat Deep Unit. Our records reflect that UMC Petroleum Corporation is still the current operator of record. Article 5 of the unit agreement provides for the resignation or removal of a unit operator.
2. Designation of Ocean Energy, Inc. as the successor operator of the Burton Flat Deep Unit. Article 6 of the unit agreement provides for the designation of a successor unit operator.
3. The 2001 plan of development for the Burton Flat Deep Unit Area.

OIL CONSERVATION DIVISION

CASE NUMBER 12933

Ocean EXHIBIT 8

"WE WORK FOR EDUCATION"

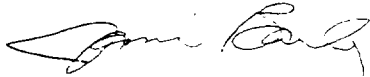
310 Old Santa Fe Trail, P.O. Box 1148, Santa Fe, New Mexico 87504-1148

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If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

A handwritten signature in cursive script, appearing to read "Jami Bailey".

BY:
JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/pm

cc: Reader File
James Bruce, P. O. Box 1056, Santa Fe, NM 87504
OCD-Santa Fe Attention: Mr. Roy Johnson
BLM-Roswell, Attn: Mr. Armando Lopez