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SEP 4 2002
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Case 12932

September 5, 2002

Hand Delivered

Lori Wrotenbery
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: **Request for verbal approval to continue producing a well
pending the September 19th hearing**

Burton Flat Deep Unit Well No. 13/SE $\frac{1}{4}$ of Section 28,
Township 20 South, Range 28 East, N.M.P.M., Eddy County,
New Mexico

Dear Ms. Wrotenbery:

Ocean Energy, Inc. is the operator of the Burton Flat Deep Unit Area. A plat of the Unit Area is attached. The Burton Flat Deep Unit Well No. 13 was originally a Morrow well, but has been re-completed as a gas well in the Strawn formation. Both the Commissioner of Public Lands and the Bureau of Land Management denied an application to create a Strawn participating area for the well, because the well was deemed non-commercial. As a result, Ocean Energy, Inc. has applied to the Division for a non-standard unit comprised of the SE $\frac{1}{4}$ of Section 28 (a copy of the application is also attached). The hearing is set for September 19th.

The reasons for the non-standard unit request are (a) the SE $\frac{1}{4}$ of Section 28 is in the Unit Area, and the remaining 480 acres in Section 28 are outside the Unit Area, and (b) the well was drilled as a unit well, and all costs were borne 100% by the working interest owners in the Unit Area. Thus, re-apportioning costs and revenues would be difficult and inequitable.

Brian Arrant of the Artesia District Office has ordered the well to be shut-in. However, due to the pending hearing, and the lack of objection to the proposed unit by the offset interest owners, Ocean Energy, Inc. requests that it be allowed to produce the well pending a decision in the case.

Thank you for your consideration of this matter.


Very truly yours,

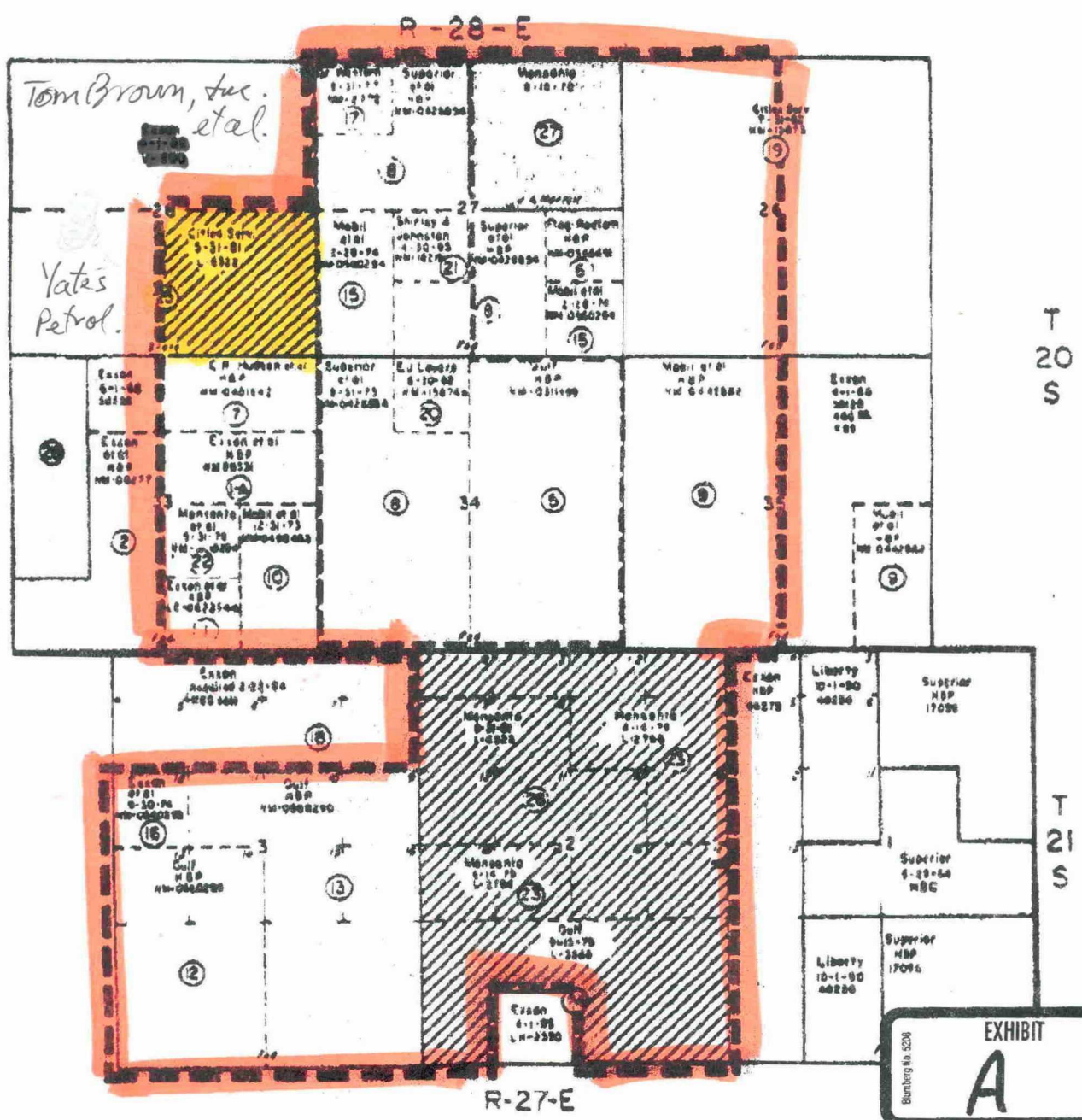
A handwritten signature in cursive script, reading "James F. Bruce". The signature is written in dark ink and is positioned above the printed name.



James Bruce

Attorney for Ocean Energy, Inc.

 : Proposed Well Unit

 : Morrow P.A. and Unit Outline



- ② - Tract Number
-  Federal Lands
-  State Of New Mexico Lands

BURTON FLAT DEEP UNIT
Eddy Co. New Mexico