

HOLLAND & HART<sup>LLP</sup>



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July 5, 2005

**HAND-DELIVERED**

Mark E. Fesmire, P.E.  
Director  
Oil Conservation Division  
New Mexico Energy, Minerals and  
Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87504

*Case 13527*

Re: Application of NorthStar Operating Company for approval of a unit agreement, Lea County, New Mexico.

Dear Mr. Fesmire:

Enclosed in triplicate is the Application of NorthStar Operating Company in the above-referenced case as well as a copy of a legal advertisement. NorthStar requests that this application be placed on the docket for the July 28, 2005 Examiner hearings.

Very truly yours,

William F. Carr  
ATTORNEY FOR NORTHSTAR OPERATING COMPANY

Enclosures

cc: Ernest Angelo  
Bob Hodge

Holland & Hart LLP

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STATE OF NEW MEXICO 2005 JUL 5 PM 2 13  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION

APPLICATION OF NORTHSTAR OPERATING COMPANY FOR APPROVAL OF A  
UNIT AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 13527

APPLICATION

NORTHSTAR OPERATING COMPANY ("NorthStar"), through its undersigned attorneys, hereby makes application for an order approving its NorthStar East Denton Unit and in support of this application states:

1. The proposed Unit Area contains 160 acres, more or less, of fee lands, situated in Lea County, New Mexico. The horizontal limits of said unit are described as follows:

**Township 15 South, Range 38 East, N.M.P.M.**  
Section 8: E/2 NW/4 and W/2 NE/4

2. The Unit Agreement has been approved by a sufficient percentage of the interest owners within the proposed Unit Area to provide effective control of unit operations.

3. The Applicant, NorthStar Operating Company, is designated as Unit Operator in said Unit Agreement and all formations from the surface to the base of the Devonian formation are unitized.

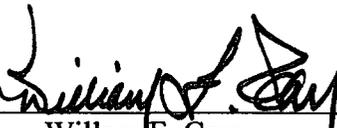
4. The proposed Unit Area covers all, or substantially all, of the geological structures or anomaly involved.

5. Said Unit Agreement and the unitized operation and management of the Unit Area will be in the interest of conservation and the prevention of waste, and that it will protect the correlative rights of all parties concerned.

WHEREFORE, NorthStar Operating Company requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 28, 2005, that notice be given as required by law and the rules of the Division, and that the NorthStar Operating Company East Denton Unit be approved.

Respectfully submitted,

HOLLAND & HART LLP

By:   
William F. Carr  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR NORTHSTAR  
OPERATING COMPANY

CASE NO. \_\_\_\_\_:

**Application of NorthStar Operating Company for approval of a Unit Agreement, Lea County, New Mexico.** Applicant seeks approval of the NorthStar Operating Company East Denton Unit from the surface to the base of the Devonian formation in an area comprising 160 acres of fee lands in the E/2 NE/4 and W/2 NW/4 of Section 8 of Township 15 South, Range 38 East, NMPM which is located approximately 15 miles east of Lovington, New Mexico.