Case 8386

October 9, 1984

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Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

DIL CONSERVATION DIVISION

Gentlemen:

Enclosed for filing, please find three copies of the Application of Pelto Oil Company for Approval of Unit Agreements for the Pinon Unit Area, covering approximately 50,000 acres of state, federal and fee lands in Santa Fe County, New Mexico.

We ask that this matter be set for hearing before an Examiner, and that we be furnished with a docket of said hearings.

Thank you.

Sincerely yours,

PELTO OIL COMPANY

D. A. BAKER

3005 Northridge Drive

Suite K

Farmington, New Mexico 87401

BEFORE THE OIL CONSERVATION DIVISION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION : OF PELTO OIL COMPANY FOR APPROVAL : OF A UNIT AGREEMENT, PINON UNIT : AREA, SANTA FE COUNTY, NEW MEXICO :

CASE NO. 8386

RECE VED

OCT 5 - 1984

OIL CONSERVATION DIVISION

APPLICATION

COMES NOW PELTO OIL COMPANY, a Delaware corporation, and requests that the Division enter an order approving a unit agreement, and in support hereof, states:

- 1. PELTO OIL COMPANY, as operator, proposes the formation of an exploratory unit, consisting of state, federal and fee lands covering approximately 50,000 acres in Townships 13 and 14 North, and Ranges 8 and 9 East, in Santa Fe County, New Mexico.
- 2. The proposed Unit Agreement and Unit Operating Agreement covering the manner in which the unit will be supervised and managed, and costs allocated and paid, will be submitted at hearing on this Application.
- 3. The granting of this Application will be in the interest of conservation, will prevent waste and protect correlative rights.

WHEREFORE, Applicant prays that this matter be set for hearing, and upon hearing, the Division enter its order approving operator's Unit

Agreement for the Pinon Unit Area hereinabove defined, and for such other and further relief as to the Division seems proper.

PELTO OIL COMPANY

D. A. BAKER Northride 3005 Northridge Drive

Suite K

Farmington, New Mexico 87401