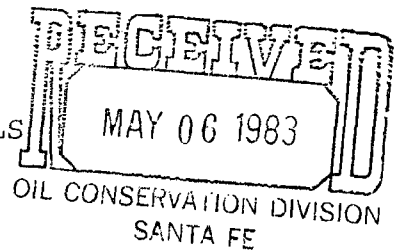


STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION



IN THE MATTER OF THE
APPLICATION OF MARSHALL
R. YOUNG OIL COMPANY FOR
APPROVAL OF A UNIT AGREEMENT,
LUNA COUNTY, NEW MEXICO.

CASE: 7890

A P P L I C A T I O N

COMES NOW MARSHALL R. YOUNG OIL COMPANY, by
and through its attorneys, KELLAHIN & KELLAHIN
and applies to the Oil Conservation Division of
New Mexico for approval of a Unit Agreement, Luna
County, New Mexico and in support thereof would show:

1. Applicant has formed its Bisbee Hills Unit,
composed of State of New Mexico, Federal and fee
acreage which totals approximately 24,960 acres,
all as shown on Exhibit "A" attached hereto and
incorporated by reference.
2. Applicant is designated as operator of the
proposed unit.
3. The Unit Agreement has been submitted to the
USGS and to the Commissioner of Public Lands of
New Mexico for preliminary approval.
4. The said Unit Agreement has been approved by
sufficient owners of interest to assure its ultimate
effectiveness.

5. The said Unit is being formed for the Exploration of all formations within the acreage dedicate to it and will give the unit reasonably effective control of operations therein.

6. The granting of this application will result in the prevention of waste and the protection of correlative rights.

WHEREFORE, applicant respectfully requests that this matter be set for hearing before the Division's examiner and that after notice and hearing, the application be granted as requested.

KELLAHIN & KELLAHIN

By 

W. Thomas Kellahin
Post Office Box 2265
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EXHIBIT "A"

TOWNSHIP 25 South, Range 11 West, NMPM

Section: 19, 29, 30, 31, 32, 33, 34

TOWNSHIP 25 South, Range 12 West, NMPM

Section 25 and 26

TOWNSHIP 26 South, Range 11 West, NMPM

Sections: 1 through 18
22 through 25

TOWNSHIP 26 South, Range 10, West, NMPM

Section: 17 through 21
28, 29 and 30