



May 25, 2010

HAND-DELIVERY

Mr. Mark Fesmire, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Case 14495

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2010 MAY 25 P 3:21

**Re: Application of Torch Energy Services, Inc. for approval of a
unit agreement, Roosevelt County, New Mexico.**

Dear Mr. Fesmire:

Enclosed in triplicate is the Application of Torch Energy Services, Inc. in the above-referenced case as well as a copy of the legal advertisement. Torch requests that this matter be placed on the June 24, 2010 Examiner Hearing docket.

Sincerely,

Ocean Munds-Dry
Ocean Munds-Dry

Enclosures

cc: Keith Turner

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF TORCH ENERGY SERVICES, INC.
FOR APPROVAL OF A UNIT AGREEMENT,
ROOSEVELT COUNTY, NEW MEXICO.**

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CASE NO. 14495

APPLICATION

TORCH ENERGY SERVICES, INC. ("Torch")(OGRID 241401), through its undersigned attorneys, hereby makes application for an order approving its San Juan Mesa 4-30 Exploratory Unit and in support of this application states:

1. The proposed Unit Area consists of 9160 acres, more or less, of State of New Mexico and Fee lands, situated in Roosevelt County, New Mexico. The horizontal limits of said unit are described as follows:

Township 4 South, Range 30 East, N.M.P.M.

Section 1:	SE/4
Section 3:	S/2
Section 9:	All
Section 10:	All
Section 11:	NW/4, S/2 NE/4, SE/4, S/2 SW/4
Section 12:	N/2 N/2, S/2 NE/4, W/2 SW/4
Section 14:	N/2, S/2 SE/4
Section 15:	All
Section 16:	All
Section 17:	E/2
Section 20:	All
Section 21:	All
Section 22:	All
Section 23:	NW/4, W/2 NE/4, S/2
Section 26:	N/2
Section 27:	All
Section 28:	All
Section 29:	N/2, NE/4 SE/4, SW/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, Torch Energy Services, Inc., is designated as Unit Operator in said Unit Agreement and all oil and gas in all formations are unitized.

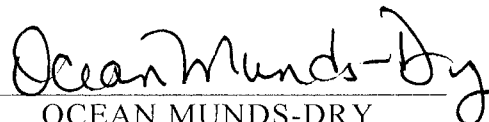
4. The unit boundaries are consistent and substantially supported by the geological limits of the unitized formations.

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 it will protect the correlative rights of all parties concerned.

WHEREFORE, Torch Energy Services, Inc. requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 24, 2010, that notice be given as required by law and the rules of the Division, and that the San Juan Mesa 4-30 Exploratory Unit be approved.

Respectfully submitted,

HOLLAND & HART, LLP

By: 
OCEAN MUNDS-DRY
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR TORCH ENERGY
SERVICES, INC.

CASE NO. 14493:

Application of Torch Energy Services, Inc. for approval of a Unit Agreement, Roosevelt County, New Mexico.

Applicant seeks approval of the San Juan Mesa 4-30 Exploratory Unit from the surface to the base of the Fusselman-Montoya formation in an area comprising 9160 acres of State of New Mexico and Fee lands in Sections 1,3, 9, 10, 11, 12, 14, 15, 16, 17, 20, 21, 22, 23, 26, 27, 28 and 29 in Township 4 South, Range 30 East, NMPM, which is located approximately 12 miles west of Elida, New Mexico.

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