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July 1, 1985

RECEIVED
JUL 2 1985
OIL CONSERVATION DIVISION

Mr. Richard L. Stamets
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

"Hand Delivered"

Re: Marshall R. Young Oil Company
Saltys Unit Area
Grant County, New Mexico

Case 8655

Dear Mr. Stamets:

On behalf of Marshall R. Young Oil Co., please set the enclosed application for unit approval for hearing at the next available Examiner Docket now set for July 31, 1985.

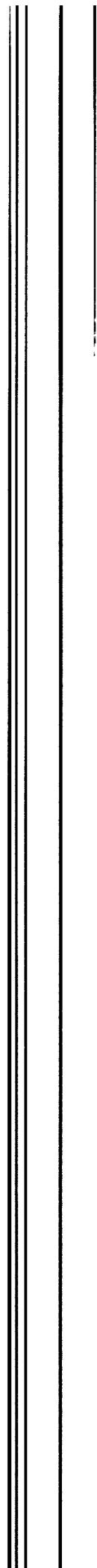
Very truly yours,


W. Thomas Kellahin

WTK:ca
Enc.

cc: Brad Hentschel
Edmundson & Associates
P. O. Box 1707
Denver, Colorado 80201

Mr. Ray Graham
Office of the Land Commissioner
P. O. Box 1148
Santa Fe, New Mexico 87501



M.S.

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

RECEIVED

JUL 2 1985

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF MARSHALL R. YOUNG OIL COMPANY
FOR APPROVAL OF THE SALTYS UNIT,
GRANT COUNTY, NEW MEXICO.

CASE: 8655

A P P L I C A T I O N

COMES NOW MARSHALL R. YOUNG OIL COMPANY and applies
to the Oil Conservation Division of New Mexico for approval
of a Unit Agreement, Grant County, New Mexico, and in
support thereof would show:

1. Applicant has formed its Saltys Unit, composed
of State, Federal, and fee acreage consisting of the
following lands:

Unit of 23,822.78 acres, more or less,
composed of 9,975.32 acres (41.88%) Federal
Lands, 12,724.74 acres (53.41%) State of
New Mexico Lands, and 1,122.72 acres
(4.71%) Fee lands, located in:

T25S, R14W, NMPM

Sections 19, 20, 29, and 30

T25S, R15W, NMPM

Sections 13 through 36

T26S, R15W, NMPM

Section 2 through 10

T26S, R16W, NMPM

Section: 1

All as more completely shown on Exhibit A
attached hereto.

Townships
25 + 26S

Ranges
14, 15, + 16 W

2. Applicant is designated as operator of the proposed unit.

3. The Unit Agreement has been submitted to the Commissioner of Public Lands of New Mexico and Bureau of Land Management for preliminary approval.

4. The said Unit Agreement has been approved by sufficient owners of interests to assure its ultimate effectiveness.

5. The said Unit is being formed for the development of the acreage dedicated to it.

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 duly appointed Examiner and that after notice and hearing, an order be entered approving the Unit Agreement.

Kellahin & Kellahin

By 

W. Thomas Kellahin
P. O. Box 2265
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