GIL CONSERVATION DIVISION

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STATE OF NEW MEXICO

DEPARTMENT OF ENERGY & MINERALS

OIL CONSERVATION DIVISION

IN THE MATTER OF

Case No. <u>8365</u>

The Application of Sohio Petroleum Company for Approval of its Proposed N.E. Salado Draw (Deep) Unit, Lea County, New Mexico.

APPLICATION

COMES NOW Sohio Petroleum Company, by and through its attorneys, Rodey, Dickason, Sloan, Akin & Robb, P.A., and seeks approval for its proposed N.E. Salado Draw (Deep) Unit Area, Lea County, New Mexico and states:

1. Applicant proposes to form the N.E. Salado Draw (Deep) Unit comprising the following described lands, to wit:

Township	25	South,	Range	33	East,	N.M.P.M.
Section 3	6:	A11				
Township	25	South,	Range	34	East,	N.M.P.M.
Section 3	1:	A11				
Township	26	South,	Range	33	East,	N.M.P.M.
Section 1: All						
Township	26	South,	Range	34	East,	N.M.P.M.
Section 6	: 7	A11				

Containing 2,560.36 acres, more or less.

2. Applicant proposes to drill the initial test well to a depth of 16,200 feet or to a depth sufficient to test the upper 100 feet of the Middle Morrow Shale Formation, whichever is the

lesser depth, unless commercial production in paying quantities be encountered at a lesser depth. That initial test well will be located approximately 660 feet from the north line and 660 feet from the west line of said Section 6.

3. The proposed unit area is composed of 1,840.36 acres (71.88%) of Federal lands, 640.00 acres (25.00%) of State lands and 80.00 acres (3.12%) of Patented or fee owned lands. Applicant has received preliminary indications of approval from both the Bureau of Land Management and the Commissioner of Public Lands of the State of New Mexico.

WHEREFORE, Applicant requests that after notice and hearing this Application be granted and Applicant's proposed Unit be approved.

RODEY, DICKASON, SLOAN, AKIN & ROBB, P.A.

ΒY

PAUL A. COOTER Attorney for Applicant Sohio Petroleum Company Two Lincoln Center - 5420 LBJ Freeway Suite #1000/LB 03 Dallas, Texas 75240