

HOLLAND & HART ^{LLP}
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208
110 NORTH GUADALUPE, SUITE 1
SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

February 14, 2003

HAND-DELIVERED

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Energy, Minerals and
Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

RECEIVED

FEB 14 2003

Oil Conservation Division

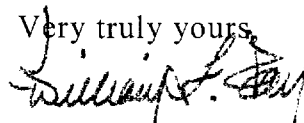
Case 13015

Re: Application of Paladin Energy Corp. for approval of a unit agreement, Lea
County, New Mexico.

Dear Ms Wrotenbery:

Enclosed in triplicate is the Application of Paladin Energy Corp. in the above-referenced case as well as a copy of a legal advertisement. Paladin requests that this application be placed on the docket for the March 13, 2003 Examiner hearings.

Very truly yours,


William F. Carr

Enclosures

cc: Gail Boline (w/ enclosures)

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

RECEIVED

APPLICATION OF PALADIN ENERGY CORP.
FOR APPROVAL OF A UNIT AGREEMENT,
LEA COUNTY, NEW MEXICO.

FEB 14 2003

CASE NO. 13075 Oil Conservation Division

APPLICATION

PALADIN ENERGY CORP. ("Paladin"), through its undersigned attorneys, hereby makes application for an order approving its Paladin Wolfcamp-Pennsylvanian Exploratory Unit and in support of this application states:

1. The proposed Unit Area contains 80 acres, more or less, of State and fee lands, situated in Lea County, New Mexico. The horizontal limits of said unit are described as follows:

Township 13 South, Range 37 East, N.M.P.M.

Section 35: SE/4 NE/4

Section 36: SW/4 NW/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, Paladin Energy Corp., is designated as Unit Operator in said Unit Agreement and the Wolfcamp and Pennsylvanian formations are the only formations unitized.

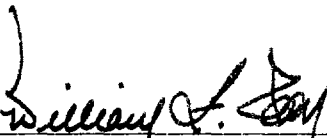
4. The proposed Unit Area covers all, or substantially all, of the geological structures or anomaly involved.

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 that it will protect the correlative rights of all parties concerned.

WHEREFORE, Paladin Energy Corp. requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 13, 2003, that notice be given as required by law and the rules of the Division, and that the Paladin Wolfcamp-Pennsylvanian Exploratory Unit be approved.

Respectfully submitted,

HOLLAND & HART LLP

By: 

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR PALADIN ENERGY CORP.

CASE NO. 13015 :

Application of Paladin Energy Corp. for approval of a Unit Agreement, Lea County, New Mexico.

Applicant seeks approval of the Paladin Wolfcamp-Pennsylvanian Exploratory Unit for an area comprising 80 acres of state and fee lands in Sections 35 and 36 of Township 13 South, Range 37 East, NMPM which is located approximately 9 miles east of McDonald, New Mexico.

CASE NO. 13015:

Application of Paladin Energy Corp. for approval of a Unit Agreement, Lea County, New Mexico.

Applicant seeks approval of the Paladin Wolfcamp-Pennsylvanian Exploratory Unit for an area comprising 80 acres of state and fee lands in Sections 35 and 36 of Township 13 South, Range 37 East, NMPM which is located approximately 9 miles east of McDonald, New Mexico.