



American Exploration Company

May 8, 1989

Re: Hospah Sand Unit Well
37
McKinley County, N. Mexico

State of New Mexico
Enrgy & Minerals Department
Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

Attn: Ernie Busch
Geologist 3
Deputy Oil & Gas Inspector

Gentlemen:

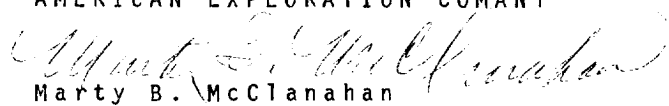
On May 2, 1989, we sent your office additional information for the Hospah Sand Unit Wells 28, 29, 38 and 39 pursuant to your request for additional data as to our application to deepen the wells.

We also applied for a permit on the subject well and enclosed is the information available from our files.

Please advise at your earliest convenience if this data will expedite approval of same or if additional information will be required.

Very truly yours,

AMERICAN EXPLORATION COMANY


Marty B. McClanahan
Sr. Production Analyst

MBM:mm

Encl.

cc: Nace Peard