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OIL CONSERVATION DIVISION
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July 13, 1990

10029

State of New Mexico
Energy, Minerals & Natural Resources Department
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501-2088

Attn: William J. Lemay, Director

Re: Application for Compulsory Pooling
Giant Exploration & Production Company
San Juan County, New Mexico

Gentlemen:

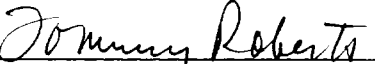
Please consider this letter the formal application of Giant Exploration & Production Company for an order of the New Mexico Oil Conservation Division force-pooling all mineral interest in the Basin-Fruitland Coal (Gas) Pool underlying the E/2 of Section 32, Township 25 North, Range 12 West, N.M.P.M., San Juan County, New Mexico, forming a standard 320 acre coal gas spacing and proration unit for said pool, to be dedicated to its Bisti Coal 32 Com No. 1 Well to be drilled at a standard coal gas well location 1625 FNL and 915 FEL (Unit H) of said Section 32. Giant Exploration & Production Company requests that such order designated Giant Exploration & Production Company as the Operator of the proposed well and that it provide for the recovery by Giant Exploration & Production and other joining parties of the costs of drilling, completing, equipping and operating the proposed well, together with a reasonable charge for risk involved in drilling the well. In addition, Giant Exploration & Production Company requests that such order establish a reasonable charge for the supervision of the well during the drilling and production stages.

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Please place this application on the August 8, 1990 Examiner Hearing Docket of the New Mexico Oil Conservation Division. Please advise should you require any additional information.

Sincerely,

TANSEY, ROSEBROUGH, GERDING
& STROTHER, P.C.


TOMMY ROBERTS, Attorney
for Giant Exploration & Production Company

TR:nk

cc: Supervisor, District III Office
New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

Giant Exploration & Production Company
P.O. Box 2810
Farmington, New Mexico 87499

Standard
640 am
Guthrie

Hilcom Development Co.
 Frank Foster No. 1
 990 FSL - 1552 fuel
 Boson - Fruitland
 Dilling

(w/2)

Hillman Development Co.
Frank Foster No. 1
990' ESL - 1652' fuel
Basin - frustated
Drilling
(w/2)

SECTION 32TOWNSHIP 25 NORTH

RANGE 12 WEST