



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

BRUCE KING
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

June 28, 1991

CAMBELL & BLACK
Attorneys at Law
P. O. Box 2208
Santa Fe, New Mexico 87504

RE: CASE NO. 10285, 10286, 10300, 10302, 10309
ORDER NO. R-9535, R-9536, R-9537, R-9538, R-9539

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Florene Davidson

Florene Davidson
OC Staff Specialist

FD/sl

cc: BLM Farmington Office
Tom Kellahin
OCD Aztec Office

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 10302

APPLICATION OF AMERICAN HUNTER
EXPLORATION, LTD. FOR A HIGH ANGLE/
HORIZONTAL/DIRECTIONAL DRILING PILOT
PROJECT, SPECIAL OPERATING RULES
THEREFOR, AND AN UNORTHODOX OIL
WELL LOCATION, RIO ARRIBA, NEW MEXICO.

RECEIVED

APR 24 1991

OIL CONSERVATION DIVISION

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell & Black, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

American Hunter Exploration, Ltd.
c/o Jim Lister _____
410 17th Street, Suite 1220 _____
Denver, Colorado 80202 _____
(303) 825-5212 _____
name, address, phone and
contact person

ATTORNEY

William F. Carr, Esq. _____
Campbell & Black, P.A. _____
Post Office Box 2208 _____
Santa Fe, New Mexico 87504 _____
(505) 988-4421 _____

OPPOSITION OR OTHER PARTY

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building _____
Farmington, New Mexico 87401 _____

(505) 325-8874 _____
name, address, phone and
contact person

ATTORNEY

W. Thomas Kellahin _____
Kellahin, Kellahin & Aubrey _____
Post Office Box 2265 _____
Santa Fe, New Mexico 87504 _____
(505) 982-4285 _____

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

American Hunter Exploration, Ltd., applicant in the above-captioned cause, seeks to initiate a high angle/horizontal directional drilling pilot project within a standard 645.28-acre oil spacing and proration unit in the West Puerto Chiquito-Mancos Oil Pool comprising all of Section 2, Township 27 North, Range 1 West. Applicant proposes to commence its Jicarilla 2A Well No. 1 to be located at an unorthodox oil well location 660 feet from the North line and 1,150 feet from the East line (Unit A) of said Section 2, drill vertically to a depth of approximately 4,550 feet, evaluate the pay zone, plug back to an appropriate depth and kick-off in a westerly direction, build angle to approximately 80 degrees, and continue to drill a high angle hole in the Mancos formation for approximately 2,000 feet. Applicant further requests that spacial operating provisions be established for said project area including the designation of a prescribed area limiting the horizontal extent of said wellbore to a target window described as a rectangle 330 to 2,100 feet from the North line and 1,150 to 3,650 feet from the East line of said Section 2.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Ivan Kercher, Land	10 Min.	Approximately 4
James C. Lister, Geologist	10 Min.	Approximately 3
Jim Artindale, Reservoir Engineer	15 Min.	Approximately 4
Alex Bondarchuk, Drilling	10 Min.	Approximately 3

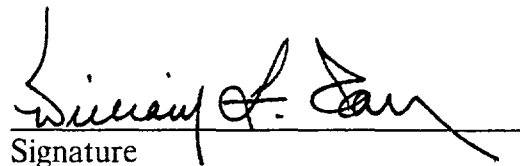
OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to hearing)

American Hunter Exploration, Ltd. will request that this case be consolidated with Cases 10285, 10286 and 10300.


Signature

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY
ANNIE-LAURIE COOGAN

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 986-4421
TELECOPIER: (505) 983-6043

April 26, 1991

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

J.M.C.

Re: Oil Conservation Division Cases 10285, 10286, 10300 and 10302
Applications of American Hunter Exploration, Ltd. for High
Angle/Horizontal/Directional Drilling Pilot Projects, Special Operating Rules
Therefor, Non-Standard Oil Proration Units, and Unorthodox Oil Well
Locations, Rio Arriba County, New Mexico

Dear Mr. LeMay:

American Hunter Exploration, Ltd., hereby requests that each of the above-referenced cases currently scheduled for hearing on May 2, 1991 be continued to the Examiner hearings scheduled for May 30, 1991.

Your attention to this matter is appreciated.

Very truly yours,

William F. Carr

WILLIAM F. CARR

WFC:mlh

cc: Bureau of Indian Affairs
Bureau of Land Management
Mr. James C. Lister
Mr. Albert R. Greer

CAMPBELL & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM R. SLATTERY
ANNIE-LAURIE COOGAN

*See Case
10285 for
Exhibits*

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April 8, 1991

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

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APR 9 1991

OIL CONSERVATION DIVISION

Case 10302

Re: In the Matter of the Application of American Hunter Exploration, Ltd. for
Horizontal Drilling and an Unorthodox Well Location, Rio Arriba County,
New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of American Hunter Exploration, Ltd. in the
above-referenced case. American Hunter Exploration, Ltd. respectfully requests that this
matter be placed on the docket for the May 2, 1991 Examiner hearings.

Very truly yours,

William F. Carr
WILLIAM F. CARR

WFC:mlh

Enclosures

cc w/enc.: Mr. Jim Lister
American Hunter Exploration, Ltd.
410 17th Street, Suite 1220
Denver, Colorado 80202