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RECEIVED

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February 21, 1991

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

10263

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 interests in the Basin-Fruitland Coal (Gas) Pool** underlying the E/2 of **Section 30, 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 30 Com No. 1 Well to be **drilled at a standard coal gas well location** 790 feet from the North line and 790 feet from the East line (Unit A) of said Section 30. Giant Exploration & Production Company requests that such Order designate Giant Exploration & Production Company as the operator of the proposed well and that it provide for the recovery by Giant Exploration & Production Company 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.

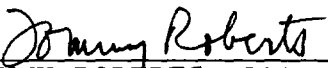
*9 miles southwest by west of
the B.I.A. Huerfano Community
School.*

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Please place this application on the March 21, 1991 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

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

Sec. 30 Township No. 25 North of Range No. 12 West

① 39.69			
② 39.73	Schalk Development Co Federal 32-30 Well No. 1 1850' FUEL Spud: 11/6/40 Dist: Lower Gallup Completion		
③ 39.75			
④ 39.79			

No Wells in Section