

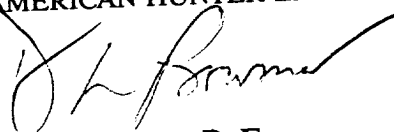
Mr. Duane Spencer
May 13, 1992
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In summary we are suggesting that it is premature by one to two years to enter into any formal gas conservation arrangement since we have no option readily available to this orphan well and we don't have sufficient data or basis to design either an injection system or a gas gathering system.

We therefore respectfully request that American Hunter be allowed to continue to vent gas at the current level in the interim, until we are able to present you, in the near future, with a proposal to conserve all gas associated with an extended, defined project.

Yours very truly,

AMERICAN HUNTER EXPLORATION LTD.



D.L. Bowman, P. Eng.
Vice President

DLB/ljp

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