



**MONTGOMERY
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LAW FIRM

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April 8, 2011

Certified Mail Return Receipt Requested

Ms. Mary Ellen Burns Gonzales
2806 Calle Campeon
Santa Fe, NM 87505

**Re: NMOCD Case No. 14576: In The Matter of the Application of Approach
Operating LLC for an Unorthodox Well Location and Non-Standard Oil
Spacing and Proration Unit, Rio Arriba County, New Mexico**

Approach Operating LLC
WC Tierra Amarilla Mancos Oil Pool (97767)

Montano No. 1 Well
API 30-39-30858
939' FNL and 207' FWL (D)
Projected Section 3, T27N, R4E
Rio Arriba County, New Mexico

Dear Ms. Gonzales:

Please be advised that Approach Operating LLC has filed an Application with the New Mexico Oil Conservation Division for approval of a 52.0 ± acre non-standard oil spacing and proration unit to be dedicated to its Montano No. 1 Well and for an unorthodox well location at the surface and bottom-hole locations reflected above for a straight-hole well to be drilled to a depth sufficient to test the Mancos Shale formation, WC Tierra Amarilla Mancos Oil Pool. A copy of the Application is enclosed.

This Application will be set for hearing before a Division Examiner on April 28, 2011, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present

REPLY TO:

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testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13.

Very truly yours,

MONTGOMERY & ANDREWS, P.A.

J. Scott Hall

JSH:kw

Enclosure

00269721