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July 29, 1992

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 RECEIVED

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TIL CONSERVATION DIVISION

10538

Re: In the Matter of the Applications of American Hunter Exploration, Ltd., for Unorthodox Well Locations, Rio Arriba County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate are the Applications of American Hunter Exploration, Ltd. in the above-referenced cases. American Hunter respectfully requests that these matters be placed on the docket for the August 20, 1992 Examiner hearings.

V¢ry truly yours,

WILLIAM F. CARR

WFC:mlh Enclosures

cc w/enclosures: Mr. Jim Lister

American Hunter Exploration, Ltd.

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND TURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF AMERICAN HUNTER EXPLORATION, LTD. OIL CONSERVATION DIVISION FOR AN UNORTHODOX WELL LOCATION. RIO ARRIBA COUNTY, NEW MEXICO.

JULY 2 = 1992

case no. 10538

APPLICATION

AMERICAN HUNTER EXPLORATION, LTD., ("American Hunter") through its undersigned attorneys, hereby makes application to the Oil Conservation Division for approval of an unorthodox well location and in support of its application states:

- Applicant is the operator of Section 28, Township 27 North, Range 2 West, 1. N.M.P.M., Rio Arriba County, New Mexico, and proposes to drill its Jicarilla 28B Well No. 1 at an unorthodox location 500 feet from the North line and 1450 feet from the East line of said Section 28.
- 2. This well is proposed at a location within one mile north of the boundary of the Gavilan-Mancos Oil Pool and applicant seeks an exception to the well location requirements of Rule 4 of the Special Pool Rules for the Gavilan-Mancos Oil Pool to permit the drilling of the well at the above-described unorthodox location to a depth to adequately test the Mancos formation.
- 3. Approval of this application will afford applicant the opportunity to produce its just share of hydrocarbons underlying this spacing unit and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, American Hunter respectfully requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 20, 1992, and that, after notice and hearing as required by law, the Division enter its Order granting this application and providing such other and further relief as is proper.

Respectfully submitted,

CAMPBELL, CARR, BERGE & SHERIDAN, P.A.

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