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AUG 7 1992

OIL CONSERVATION DIV.
SANTA FE

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August 7, 1992

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10540

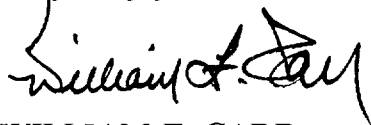
William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

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

Dear Mr. LeMay:

Enclosed in triplicate is an Application for American Hunter Exploration, Ltd. in the
above-referenced case. American Hunter respectfully requests that this matter be placed
on the docket for the September 3, 1992 Examiner hearings.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

Enclosures

cc w/enclosures: Mr. Jim Lister
American Hunter Exploration, Ltd.

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BEFORE THE

AUG 7 1992

OIL CONSERVATION DIVISION

OIL CONSERVATION DIV.
SANTA FE

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

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

CASE NO. 10540

APPLICATION

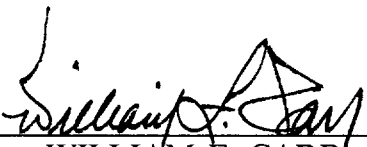
AMERICAN HUNTER EXPLORATION, LTD., ("American Hunter") through its undersigned attorneys, hereby makes application to the Oil Conservation Division for approval of an unorthodox well location and in support of its application states:

1. Applicant is the operator of the NW/4 SE/4 of Section 6, Township 27 North, Range 2 West, N.M.P.M., Rio Arriba County, New Mexico, and proposes to drill its Jicarilla 6 Well No. 1 at an unorthodox location 2480 feet from the South line and 915 feet from the West line of said Section 6.
2. Applicant seeks an exception to the well location requirements of Division Rule 104 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 September 3, 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.

By:  _____

WILLIAM F. CARR

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ATTORNEYS FOR AMERICAN HUNTER
EXPLORATION, LTD.