



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

June 28, 1991

CAMBELL & BLACK  
Attorneys at Law  
P. O. Box 2208  
Santa Fe, New Mexico 87504

RE: CASE NO. 10285, 10286, 10300, 10302, 10309  
ORDER NO. R-9535, R-9536, R-9537, R-9538, R-9539

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

*Florene Davidson*

Florene Davidson  
OC Staff Specialist

FD/sl

cc: BLM Farmington Office  
Tom Kellahin  
OCD Aztec Office

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 10302

APPLICATION OF AMERICAN HUNTER  
EXPLORATION, LTD. FOR A HIGH ANGLE/  
HORIZONTAL/DIRECTIONAL DRILING PILOT  
PROJECT, SPECIAL OPERATING RULES  
THEREFOR, AND AN UNORTHODOX OIL  
WELL LOCATION, RIO ARRIBA, NEW MEXICO.

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APR 24 1991

OIL CONSERVATION DIVISION

**PRE-HEARING STATEMENT**

This Prehearing Statement is submitted by Campbell & Black, P.A., as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

American Hunter Exploration, Ltd.  
c/o Jim Lister \_\_\_\_\_  
410 17th Street, Suite 1220 \_\_\_\_\_  
Denver, Colorado 80202 \_\_\_\_\_  
(303) 825-5212 \_\_\_\_\_  
name, address, phone and  
contact person

**ATTORNEY**

William F. Carr, Esq. \_\_\_\_\_  
Campbell & Black, P.A. \_\_\_\_\_  
Post Office Box 2208 \_\_\_\_\_  
Santa Fe, New Mexico 87504 \_\_\_\_\_  
(505) 988-4421 \_\_\_\_\_

**OPPOSITION OR OTHER PARTY**

Benson-Montin-Greer Drilling Corp.  
221 Petroleum Center Building \_\_\_\_\_  
Farmington, New Mexico 87401 \_\_\_\_\_  
\_\_\_\_\_  
(505) 325-8874 \_\_\_\_\_  
name, address, phone and  
contact person

**ATTORNEY**

W. Thomas Kellahin \_\_\_\_\_  
Kellahin, Kellahin & Aubrey \_\_\_\_\_  
Post Office Box 2265 \_\_\_\_\_  
Santa Fe, New Mexico 87504 \_\_\_\_\_  
(505) 982-4285 \_\_\_\_\_

**STATEMENT OF CASE**

**APPLICANT**

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

American Hunter Exploration, Ltd., applicant in the above-captioned cause, seeks to initiate a high angle/horizontal directional drilling pilot project within a standard 645.28-acre oil spacing and proration unit in the West Puerto Chiquito-Mancos Oil Pool comprising all of Section 2, Township 27 North, Range 1 West. Applicant proposes to commence its Jicarilla 2A Well No. 1 to be located at an unorthodox oil well location 660 feet from the North line and 1,150 feet from the East line (Unit A) of said Section 2, drill vertically to a depth of approximately 4,550 feet, evaluate the pay zone, plug back to an appropriate depth and kick-off in a westerly direction, build angle to approximately 80 degrees, and continue to drill a high angle hole in the Mancos formation for approximately 2,000 feet. Applicant further requests that special operating provisions be established for said project area including the designation of a prescribed area limiting the horizontal extent of said wellbore to a target window described as a rectangle 330 to 2,100 feet from the North line and 1,150 to 3,650 feet from the East line of said Section 2.

**OPPOSITION OR OTHER PARTY**

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Ivan Kercher, Land	10 Min.	Approximately 4
James C. Lister, Geologist	10 Min.	Approximately 3
Jim Artindale, Reservoir Engineer	15 Min.	Approximately 4
Alex Bondarchuk, Drilling	10 Min.	Approximately 3

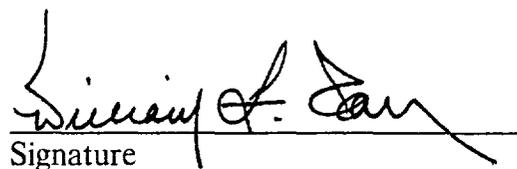
OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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**PROCEDURAL MATTERS**

(Please identify any procedural matters which need to be resolved prior to hearing)

American Hunter Exploration, Ltd. will request that this case be consolidated with Cases 10285, 10286 and 10300.

  
Signature

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY  
ANNIE-LAURIE COOGAN

JEFFERSON PLACE  
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POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 986-4421  
TELECOPIER: (505) 983-6043

April 26, 1991

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

Re: Oil Conservation Division Cases 10285, 10286, 10300 and 10302  
Applications of American Hunter Exploration, Ltd. for High  
Angle/Horizontal/Directional Drilling Pilot Projects, Special Operating Rules  
Therefor, Non-Standard Oil Proration Units, and Unorthodox Oil Well  
Locations, Rio Arriba County, New Mexico

Dear Mr. LeMay:

American Hunter Exploration, Ltd., hereby requests that each of the above-referenced cases currently scheduled for hearing on May 2, 1991 be continued to the Examiner hearings scheduled for May 30, 1991.

Your attention to this matter is appreciated.

Very truly yours,

WILLIAM F. CARR

WFC:mlh

cc: Bureau of Indian Affairs  
Bureau of Land Management  
Mr. James C. Lister  
Mr. Albert R. Greer

CAMPBELL & BLACK, P.A.  
LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM R. SLATTERY  
ANNIE-LAURIE COOGAN

*See Case  
10285 for  
Exhibits*

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TELEPHONE: (505) 988-4421  
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April 8, 1991

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

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APR 9 1991

OIL CONSERVATION DIVISION

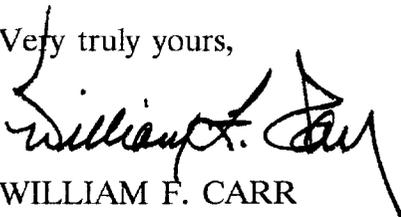
*Case 10302*

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

Dear Mr. LeMay:

Enclosed in triplicate is the Application of American Hunter Exploration, Ltd. in the above-referenced case. American Hunter Exploration, Ltd. respectfully requests that this matter be placed on the docket for the May 2, 1991 Examiner hearings.

Very truly yours,

  
WILLIAM F. CARR

WFC:mlh  
Enclosures

cc w/enc.: Mr. Jim Lister  
American Hunter Exploration, Ltd.  
410 17th Street, Suite 1220  
Denver, Colorado 80202