

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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AMERICAN HUNTER EXPLORATION LTD.) FE DOCKET NO. 95-25-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION TO
EXPORT NATURAL GAS
TO CANADA

DOE/FE ORDER NO. 1045

APRIL 26, 1995

I. DESCRIPTION OF REQUEST _____

On April 14, 1995, American Hunter Exploration Ltd. (American Hunter) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),^{1/} and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to export up to 100 billion cubic feet (Bcf) of natural gas to Canada over a two-year term beginning on the date of the first export delivery. American Hunter, a Delaware corporation with its principal office in Calgary, Alberta, is a wholly-owned subsidiary of Canadian Hunter Exploration Ltd. American Hunter will export the natural gas under spot and short-term purchase arrangements, either on its own behalf or as the agent for U.S. and/or Canadian suppliers. The proposed authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by American Hunter has been evaluated to determine if the proposed export arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the export of natural gas to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by American Hunter to export natural gas to Canada, a nation with which a

1/ 15 U.S.C. 717b.

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free trade agreement is in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. American Hunter Exploration Ltd. (American Hunter) is authorized to export up to 100 Bcf of natural gas to Canada over a two-year term beginning on the date of the first export delivery. This natural gas may be exported at any point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, American Hunter shall provide written notification to the Office of Fuels Programs (OFP), Fossil Energy, Room 3F-056, FE-50, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first export of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas exports authorized by this Order, American Hunter shall file with OFP, within 30 days following each calendar quarter, quarterly reports indicating whether exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no exports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If exports have occurred, American Hunter must report total monthly volumes

in Mcf and the average purchase price of gas per MMBtu at the international border. The reports shall also provide the details of each export transaction, including: (1) the name of the seller(s); (2) the name of the purchaser(s); (3) the estimated or actual duration of the agreement(s); (4) the name of the United States transporter(s); (5) the point(s) of exit; (6) the geographic market(s) served; (7) whether sales are being made on an interruptible or firm basis; and, if applicable, (8) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than July 30, 1995, and should cover the period from the date of this authorization, until the end of the second calendar quarter, June 30, 1995.

Issued in Washington, D.C., on April 26, 1995.

Anthony J. Como
Director
Office of Coal & Electricity
Office of Fuels Programs
Office of Fossil Energy