



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

April 12, 2006

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Petrohawk Operating Company/Mission Resources Corporation
c/o **Holland & Hart LLP**
Attention: Ms. Ocean Munds-Dry (omundsdry@hollandhart.com)
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

Administrative Order SD-06-04

Dear Ms. Munds-Dry:

Reference is made to the following: (i) your application on behalf of the operator, Petrohawk Operating Company/Mission Resources Corporation ("Petrohawk formerly Mission"), submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on March 14, 2006 (***administrative application reference No. pTDS0-607336971***); (ii) your e-mail to Mr. Michael E. Stogner, Engineer with the Division in Santa Fe, on Tuesday, April 4, 2006; and (iii) the records of the Division in Santa Fe, including the files on Division Administrative Orders NSP-183, as amended, and 183-A, and your previous filing for Mission Resources Corporation (***administrative application reference No. pSEM0-528552676***) in October, 2005 that was subsequently denied: all concerning your client's plans for the continued development of the Jalmat Gas Pool (79240) within the existing non-standard 120.02-acre gas spacing unit comprising Lot 1 and the S/2 NE/4 of Section 5, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico.

Your application has been duly filed under the provisions of the "*Special Pool Rules for the Jalmat Gas Pool*," as promulgated by Division Order No. R-8170-P, issued in Case No. 12563 on December 14, 2001.

Division Administrative Order NSP-183-A, dated February 8, 2003, established the subject 120.02-acre unit for Raptor Resources, Inc.'s State 157 "G" Well No. 2 (API No. 30-025-08787), located at a standard gas well location 990 feet from the North line and 1980 feet from the East line (Unit G) of Section 5.

It is the Division's understanding that your client now intends to drill its proposed State 157 "G" Well No. 5 at a standard gas well location 1880 feet from the North line and 660 feet from the East line (Unit H) of Section 5 as an infill gas well within this 120.02-acre unit.

By the authority granted me under the provisions of Rules 4 (B) and (D) of the special rules governing the Jalmat Gas Pool, Petrohawk formerly Mission is hereby authorized to simultaneously dedicate Jalmat gas production to the above-described 120.02-acre non-standard gas spacing unit from both the its existing State 157 "G" Well No. 2 and proposed State 157 "G" Well No. 5.

Petrohawk Operating Company/Mission Resources Corporation
Division Administrative Order SD-06-04

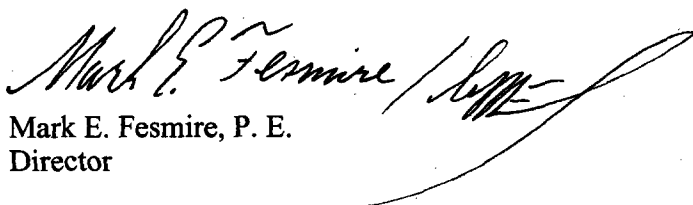
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Further, all provisions applicable to the subject 120.02-acre non-standard Jalmat gas spacing unit in Division Administrative Order NSP-183-A shall remain in full force and affect until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,



Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division – Hobbs
New Mexico State Land Office – Santa Fe

File: Division Administrative Order NSP-183 (*order dated September 2, 1955*)
Division Administrative Order NSP-183 (*reinstated by order dated March 3, 2000*)
Division Administrative Order NSP-183-A
