

**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. 12624

**APPLICATION OF RAPTOR RESOURCES, INC.
FOR TWO UNORTHODOX INFILL GAS WELL
LOCATIONS AND SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO.**

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Holland & Hart LLP and Campbell & Carr, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Raptor Resources, Inc.
Attention: John Lawrence
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ATTORNEY

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OIL CONSERVATION DIV.
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STATEMENT OF CASE

APPLICANT

Applicant seeks an exception to the well location requirements provided within the "Special Pool Rules and Regulations for the Jalmat Gas Pool", as promulgated by Division Order No. R-8170, as amended, for an unorthodox Jalmat infill gas well location within an existing non-standard 480-acre spacing and proration unit comprised of W/2 and SE/4 of Section 24, Township 23 South, Range 36 East, NMPM, which is located approximately 9 miles southwest of Eunice, New Mexico. The applicant's State "A" A/C-1 Well No. 133 is to be drilled at an unorthodox infill gas location 660 feet from the North and West lines of Section 24. This unit is currently dedicated to Raptor Resources, Inc.'s:

- A. State "A" A/C-1 Well No. 17 (**API No. 30-025-09401**), located at an unorthodox gas well location 660 feet from the South and East lines (Unit P) of Section 24.
- B. State "A" A/C-1 Well No. 24 (**API No. 30-025-09402**), located at a standard gas well location 990 feet from the South line and 1650 feet from the West line (Unit N) of Section 24, which is currently plugged and abandoned;
- C. State "A" A/C-1 Well No. 25 (**API No. 30-025-09403**), located at a standard gas well location 1650 feet from the North and West lines (Unit F) of Section 24, which is currently plugged and abandoned;
- D. State "A" A/C-1 Well No. 32 (**API No. 30-025-09404**), located at a standard gas well location 1650 feet from the South and East lines (Unit J) of Section 24; and
- E. State "A" A/C-1 Well No. 50 (**API No. 30-025-09405**), located at an unorthodox gas well location 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 24;
- F. State "A" A/C-1 Well No. 52 (**API No. 30-025-9406**), located at an unorthodox gas well location 1980 feet from the South and West lines (Unit K) of Section 24;

- G. State "A" A/C-1 Well No. 53 (**API No. 30-025-09407**), located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 24.
- H. State "A" A/C-1 Well No. 54 (**API No. 30-025-09409**), located at an unorthodox gas well location 1980 feet from the South and 660 feet from the East line (Unit I) of Section 24;
- I. State "A" A/C-1 Well No. 107 (**API No. 30-025-20975**), located at an unorthodox gas well location 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 24;
- J. State "A" A/C-1 Well No. 108 (**API No. 30-025-20976**), located at an unorthodox gas well location 660 feet from the South and West lines (Unit M) of Section 24; and
- K. State "A" A/C-1 Well No. 126 (**API No. 30-025-31045**), located at a standard gas well location 990 feet from the North line and 1650 feet from the West line (Unit C) of Section 24;

Further, the applicant, pursuant to the rules governing the Jalmat Gas Pool and the stipulated declaratory judgment issued by the First Judicial District Court in Santa Fe County, New Mexico on December 15, 2000, seeks to simultaneously dedicate Jalmat production to this 480-acre unit from all twelve of the above-described State "A" A/C-1 Wells No. 17, 24, 25, 32, 50, 52, 53, 54, 107, 108, 126, and 133.

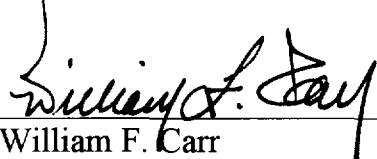
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
William Keathly (Landman)	10 minutes	Approximately 4
Dave Percy (Geoscientist)	15 minutes	Approximately 5
John Lawrence (Petroleum Engineer)	20 minutes	Approximately 3

PROCEDURAL MATTERS

Raptor Resources, Inc. will request that cases 12623, 12624 and 12625 be consolidated for the purpose of presenting testimony.



William F. Carr
Attorney for Raptor Resources, Inc.