

RAPTOR RESOURCES, INC.

901 Rio Grande

Austin, Texas 78701

(512) 478-4427

October 20, 1999

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 Pacheo
Santa Fe, New Mexico 87504

RE: Application for Unorthodox Gas Well Locations and Simultaneous Dedication
Jalmat, Tansil Yts 7 Rvrs (Pro Gas)
660' FSL and 1980' FEL
Section 8, T 22S, R 36E (O)
Lea County, New Mexico

Dear Mr. Stogner,

Raptor Resources, Inc. respectfully requests your approval of this administrative application for the subject Unorthodox Gas Well Location and Simultaneous Dedication.

Raptor Resources, Inc. is planning to re-complete it's State "A" A/C 2 Well No. 54 in the Jalmat Tansil Yates 7-Rivers (Pro Gas Pool). It is our desire to also simultaneously dedicate the existing 640- acre Proration Unit assigned to our well nos.3, 24, 26, 25, 43and 70 to all seven wells. Previously approved orders are R 9073 and SD-99-7.

The offset operator plat shows that Conoco Inc, Chevron USA Inc OXY USA, Doyle Hartman and Finley Resources as the offset operators that could be affected by this unorthodox location. Please find enclosed evidence that they have been notified of this application.

In order to prevent waste, Raptor Resources, Inc. respectfully requests your approval of this application for an unorthodox location and simultaneous dedication. A copy of this letter and attachments has been furnished by Certified Mail to the offset operators as their notice of this application.

If you have any questions or require any further information concerning this application, please contact me at (915) 697-1609 or e-mail me at BRKeathly@juno.com.

Sincerely,



Bill R. Keathly
Regulatory Agent for Raptor Resources

Cc: Oil Conservation Division - Hobbs

**State "A" A/C 2 # 54
Section 8, T-22S, R-36E, (O)
API # 30-025-08841
Lea County, New Mexico**

RE: Application for Unorthodox Location

Notification of Offset Operators:

Conoco Inc
10 Desta Dr., Ste 100W
Midland, TX 79705

Chevron U S A Inc
Attn: WOJV-Business Unit
P.O. Box 1635
Houston, TX 77251

OXY USA Inc
P.O. Box 50250
Midland, TX 79710

Finley Resources
1308 Lake St., Ste 200
Ft. Worth, TX 76102

Doyle Hartman
P.O. Box 10426
Midland, TX 79702

Please find attached evidence that the above listed companies have been sent copies of the Non-standard location request.

Z 444 966 652

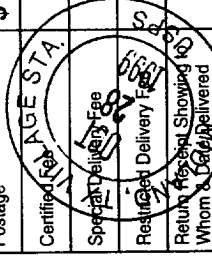
US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Doyle Hartman
Street & Number	Box 1426
Post Office, State, & ZIP Code	Midland TX 79702
Postage	\$ 55
Certified Fee	1.40
Special Delivery Fee	
Registered Delivery Fee	
Return Receipt Showing to Whom, Date, & Addressee's Address	125
TOTAL Postage & Fees	\$ 320
Postmark or Date	



PS Form 3800, April 1995
 # 54
 White A/R/N



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

November 8, 1999

Raptor Resources, Inc.
901 Rio Grande
Austin, Texas 78701

Attention: Bill R. Keathly

Re: Administrative application submitted to the New Mexico Oil Conservation Division on October 25 and November 1, 1999 for an exception to the well location requirements provided within the "Special 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 standard 640-acre gas spacing and proration unit comprising all of Section 8, Township 22 South, Range 36 East, NMPM, all in Lea County, New Mexico. The existing State "A" A/C-2 Well No. 54 (API No. 30-025-08841), located at an unorthodox Jalmat infill gas well location 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 8, is currently completed in the South Eunice-Seven Rivers-Queen Pool at a standard oil well location; however, this well is to be plugged back and recompleted up-hole into the Jalmat Gas Pool. This unit is currently simultaneously dedicated to the applicant's State "A" A/C-2 Wells No. 3, 24, 25, 26, 43, and 70.

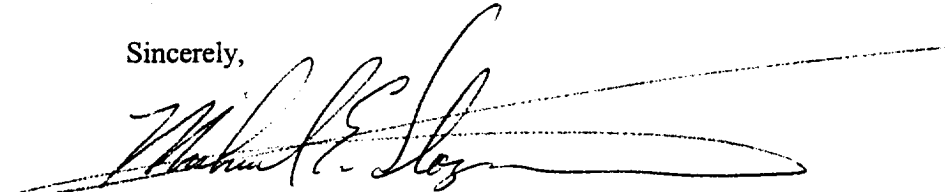
Dear Mr. Keathly:

On November 1 and November 3, 1999 the Division received objections from Doyle Hartman, Oil Operator to the subject application (I believe you were provided copies of these letters).

This application will therefore be set for hearing before a Division Hearing Examiner on the next available docket scheduled for December 2, 1999. Please provide adequate notice pursuant to Rule 1207.A(5) of the Division's Rules and Regulations.

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 827-8185.

Sincerely,


Michael E. Stogner
Chief Hearing Officer/Engineer

MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
Kathy Valdes - OCD, Santa Fe
Doyle Hartman - Midland, Texas
J. E. Gallegos, Legal Counsel for Doyle Hartman - Santa Fe

12/22/99
Talked to
Chris Hold
Completion
for letter
from Rand

DOYLE HARTMAN

Oil Operator

3811 TURTLE CREEK BLVD., SUITE 200
DALLAS, TEXAS 75219

(214) 520-1800
(214) 520-0811 FAX

October 30, 1999

VIA FACSIMILE: 512/478-4476

Raptor Resources, Inc.
901 Rio Grande (78701)
P.O. Box 160430
Austin, TX 78716-0430
Attn: Russell Douglass, President
Mike Nell, Vice President

6 PAGES

VIA FACSIMILE : 915/684-4508

Raptor Resources, Inc.
414 W. Texas, Suite 202
Midland, TX 79701
Attn: Bill R. Keathly, Regulatory Agent

Re: Raptor's Dense-Spacing Infill Program
Jalmat Gas Pool
T-22-S & T-23-S, R-36-E
Lea County, New Mexico

Gentlemen:

Reference is made to our letter of October 29, 1999, to Ms. Lori Wrotenbery and Mr. Michael Stonger of the New Mexico Oil Conservation Division, including our discussion corresponding to Raptor's proposed State "A" A/C-2 Nos. 54 and 77 completions located in the S/2 SE/4 Section 8, T-22-S, R-36-E.

After becoming aware of Raptor's C-103 for its proposed State "A" A/C-2 No. 54 recompletion, I have now had an opportunity to compare well logs with the C-101's that Raptor has filed for its State "A" A/C-2 Nos. 30 and 48 wells located in the NW/4 Section 9, T-22-S, R-36-E. It appears that Raptor has proposed the following completion intervals and pool designations for its Nos. 30, 48, and 54 wells.

DOYLE HARTMAN

Oil Operator

500 NORTH MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

(915) 682-7616 FAX

Via Facsimile (505) 827-8177, FedEx and Hand-Delivery

October 29, 1999

Lori Wrotenbery, Director
Michael Stogner, Chief Hearing Examiner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Re: Failure by Raptor Resources, Inc. to Give Proper Notice
Raptor's Jalmat Infill Program
Sections 8 and 9, T-22-S, R-36-E, Lea County, New Mexico

Dear Ms. Wrotenbery and Mr. Stogner:

Doyle Hartman is an offset Jalmat operator to Raptor Resources, Inc. (Raptor), with respect to the above-referenced Sections 8 and 9, T-22-S, R-36-E, Lea County, New Mexico, by virtue of the 160-acre Jalmat State "H" lease in the NE/4 of Section 17, T-22-S, R-36-E. In 1998, Doyle Hartman and James A. Davidson acquired the State "H" Lease from OXY USA, Inc., effective November 1, 1997, and recorded the lease of record in Lea County, New Mexico, on April 24, 1998. A copy of a Lea County ownership map, which reflects Hartman's ownership in that lease, is attached as Exhibit "A".

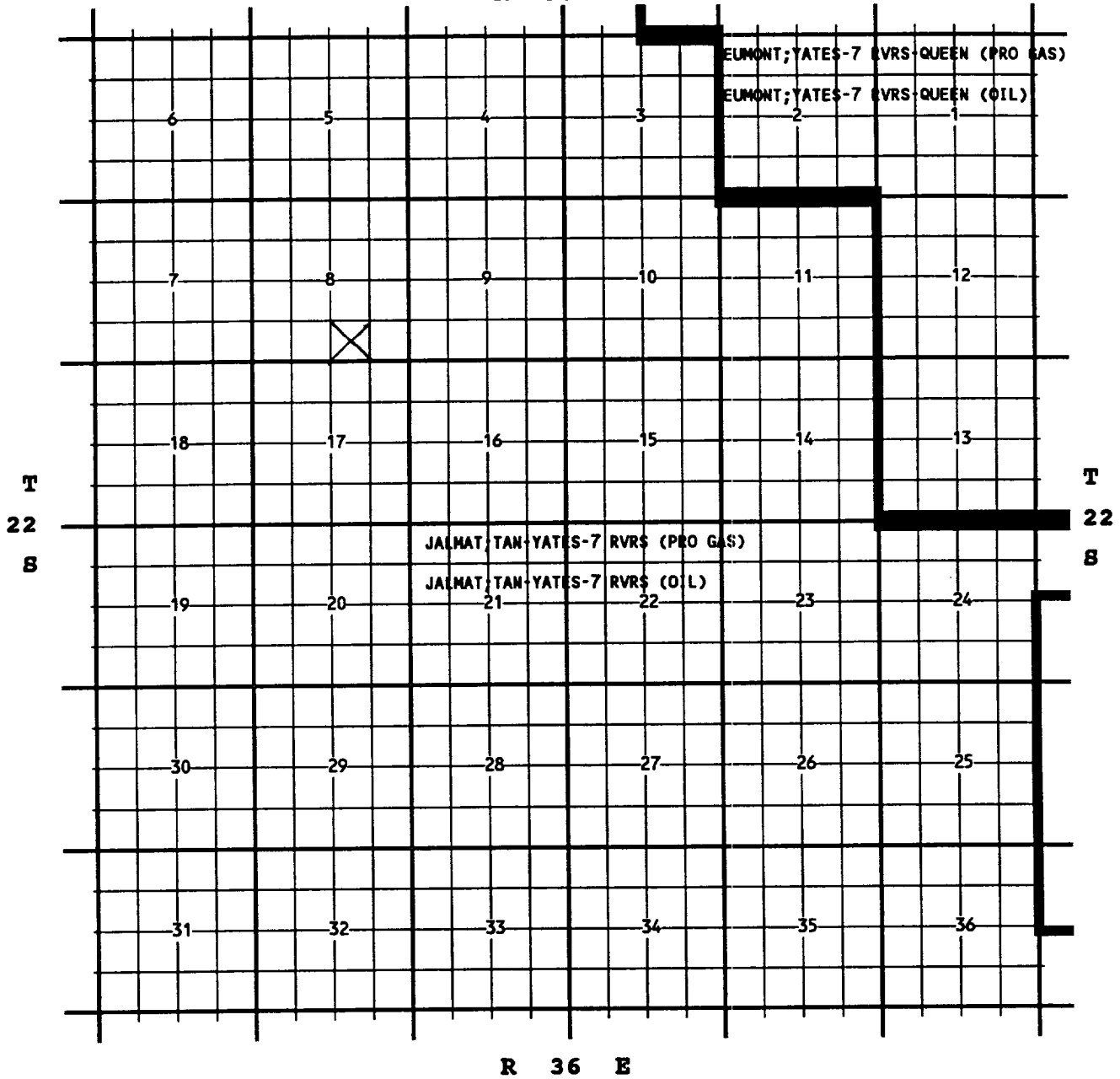
Please accept this letter as a general objection, on behalf of Doyle Hartman and James A. Davidson, to the Jalmat infill drilling and recompletion program which Raptor Resources is presently undertaking in Sections 8 and 9, T-22-S, R-36-E (and also to Raptor's dense infill drilling throughout the Jalmat Pool). See Exhibit "A". Hartman has previously set out objections to unjustified high-density Jalmat infill drilling and recompletion programs to Raptor by letter dated October 21, 1999. Copy attached as Exhibit "B". A more detailed explanation of Hartman's objections to high-density Jalmat infill drilling and recompletion programs is set out in Hartman's letter to Ms. Wrotenbery, director of the NMOCD, dated October 13, 1999, with respect to a package of administrative applications submitted by SDX Resources, Inc. (SDX). A copy of that letter is attached as Exhibit "C".

COUNTY: LEA

FORMATION: UPPER 7 RVS

TOWNSHIP: 22 SOUTH RANGE: 36 EAST NMPM

R 36 E



EUMONT; YATES-7 RVS-QUEEN (OIL)

EUMONT; YATES-7 RVS-QUEEN (PRO GAS)

JALMAT; TAN-YATES-7 RVS (OIL)

JALMAT; TAN-YATES-7 RVS (PRO GAS)

RAPTOR RESOURCES, INC.

901 Rio Grande

Austin, Texas 78701

(512) 478-4427

October 20, 1999

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New Mexico Oil Conservation Division
2040 Pacheo
Santa Fe, New Mexico 87504

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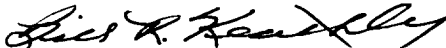
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Sincerely,



Bill R. Keathly
Regulatory Agent for Raptor Resources

Cc: Oil Conservation Division - Hobbs

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API # 30-025-08841
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10 Desta Dr., Ste 100W
Midland, TX 79705

Chevron U S A Inc
Attn: WOJV-Business Unit
P.O. Box 1635
Houston, TX 77251

OXY USA Inc
P.O. Box 50250
Midland, TX 79710

Finley Resources
1308 Lake St., Ste 200
Ft. Worth, TX 76102

Please find attached evidence that the above listed companies have been sent copies of the Non-standard location request.

Z 444 966 640

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to	OXY USA Inc.
Street & Number	Box 50250
Post Office, State, & ZIP Code	Midland, TX 79710
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.20
Postmark or Date	APR 21 1995

PS Form 3800, April 1995 State A AICZ #54

Z 444 966 638

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to	Comaco Inc.
Street & Number	10 Dosta Dr. Ste 100W
Post Office, State, & ZIP Code	Midland, TX 79705
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.20
Postmark or Date	APR 21 1995

PS Form 3800, April 1995 State A AICZ #54

Z 444 966 639

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to	Chayron USA
Street & Number	Box 1635
Post Office, State, & ZIP Code	Henrieville, TX 79251
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.20
Postmark or Date	APR 21 1995

PS Form 3800, April 1995 State A AICZ #54

Z 444 966 641

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to	Finley Resources
Street & Number	1325 Lake St. Ste 200
Post Office, State, & ZIP Code	Ft Worth TX 76102
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.20
Postmark or Date	APR 21 1995

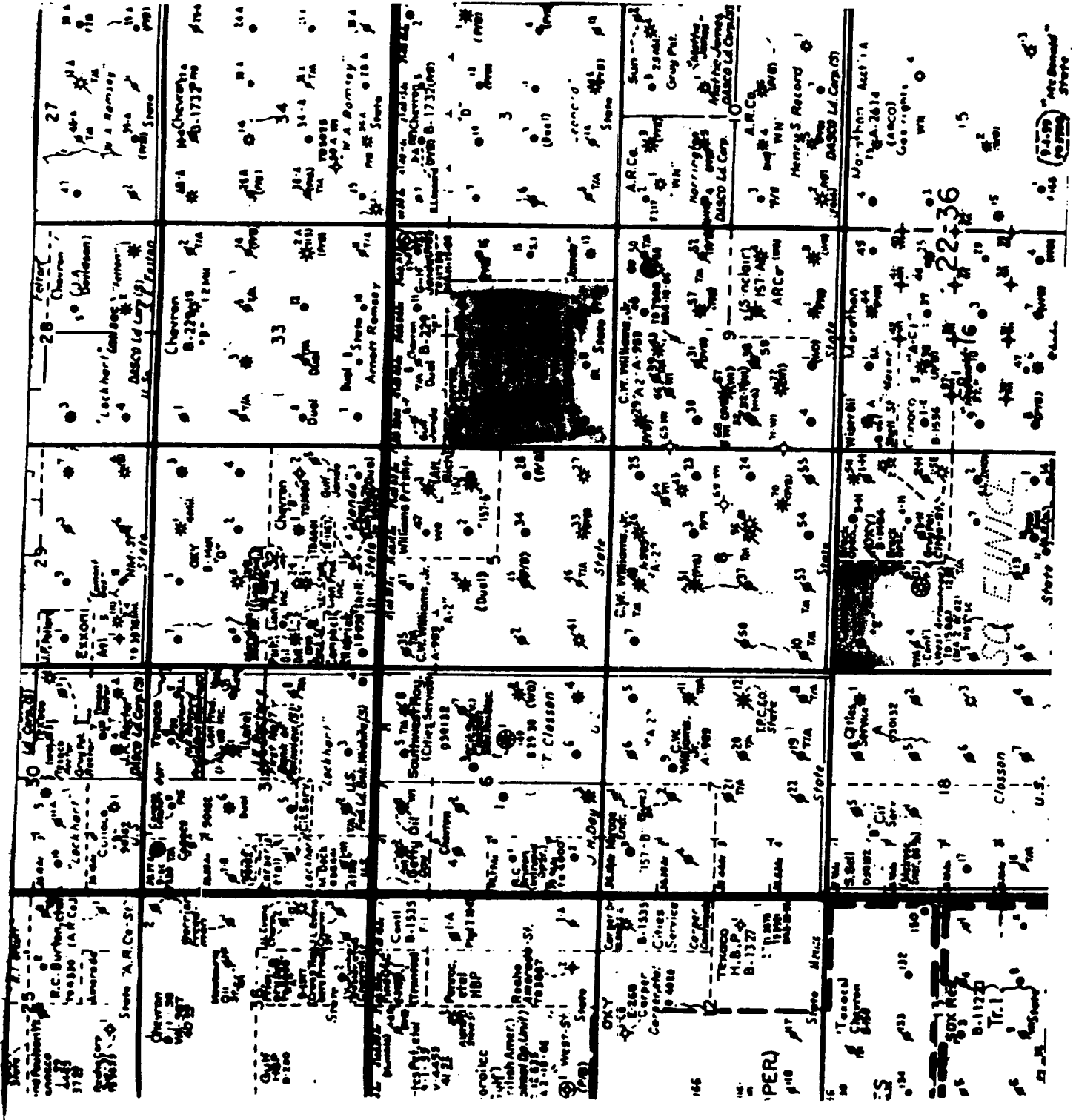
PS Form 3800, April 1995 State A AICZ #54

Conoco Inc

Chevron USA

JXY USA

Finley Resources



1 Amended Report

4 Month/Year
 6 Page 1 of

3 OGRID:

2 Operator: 5 Address:	INJECTION					PRODUCTION					DISPOSITION OF OIL, GAS AND WATER					
	8 C O D E 1	9 Volume	10 Pressure	11 C O D E 2	12 Barrels of oil/condens- ate produced	13 Barrels of water produced	14 MCF Gas produced	15 Days Produced	16 C O D E 3	17 Point of Disposition	18 Gas BTU or Oil API Gravity	19 Oil on hand at beginning of month	20 Volume (Bbls/mcf)	21 Transporter OGRID	22 C O D E 4	23 Oil on hand at end of month
7 POOL NO. AND NAME Property No. and Name Well No. & U-L-S-T-R API No.																

I hereby certify that the information contained in this report is true and complete to the best of my knowledge.
 DATE: _____ PHONE: _____