

NSL(SD) 8/30/99

RAPTOR RESOURCES, INC.

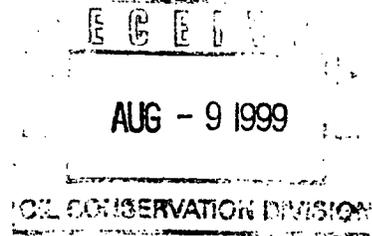
P.O. Box 160430

Austin, Texas 78716-0430

(512) 478-4427

July 27, 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)
1980' FSL and 2316' FWL
Section 7, T 22S, R 36E (K)
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. 21 in the Jalmat Tansil Yates 7-Rivers (Pro Gas Pool. It is our desire to also simultaneously dedicate the existing 480 acre Proration Unit assigned to our well nos.5, 8 and 19 to all four wells. Previously approved orders are R 9073, well no 8 is currently carried as temporary abandon.

The offset operator plat shows that Citgo, Texaco, Chevron, Conoco Inc and Mirage Energy Inc, 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,

A handwritten signature in cursive script that reads "Bill R. Keathly".

Bill R. Keathly
Regulatory Agent for Raptor Resources

Cc: Oil Conservation Division - Hobbs

**State "A" A/C 2 # 21
Section 7, T-22S, R-36E, (K)
API # 30-025-08827
Lea County, New Mexico**

RE: Application for Unorthodox Location

Notification of Offset Operators:

Citgo
P.O. Box 3758
Tulsa, OK. 74102-3758

Mirage Energy Inc.
7915 N. Llewelyn
Hobbs, NM 88242

Chevron USA
P.O. Box 1150
Midland, TX 79702

Texaco
P.O. Box 3109
Midland, TX 79702

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

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

Z 444 966 474

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

PS Form 3800, April 1995 State A A/C 2 # 21

Sent to	Texas
Street & Number	P.O. Box 3107
Post Office, State, & ZIP Code	Midland, TX 79702
Postage	\$ 55
Certified Fee	140
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	125
TOTAL Postage & Fees	320
Postmark or Date	MIDLAND, TX VILLAGE

PS Form 3800, April 1995 State A A/C 2 # 21

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

PS Form 3800, April 1995 State A A/C 2 # 21

Sent to	Citgo
Street & Number	P.O. Box 3758
Post Office, State, & ZIP Code	Tulsa, OK 74102-3758
Postage	\$ 55
Certified Fee	140
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	125
TOTAL Postage & Fees	320
Postmark or Date	MIDLAND, TX VILLAGE

Z 444 966 471

PS Form 3800, April 1995 State A A/C 2 # 21

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

PS Form 3800, April 1995 State A A/C 2 # 21

Sent to	Mitase Energy Inc.
Street & Number	7915 N. Cleveland
Post Office, State, & ZIP Code	Hebbardsville, IN 46242
Postage	\$ 35
Certified Fee	140
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	125
TOTAL Postage & Fees	320
Postmark or Date	MIDLAND, TX VILLAGE

Z 444 966 472

Z 444 966 475

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

PS Form 3800, April 1995 State A A/C 2 # 21

Sent to	Conoco Inc.
Street & Number	10 Desta Dr. Ste 100W
Post Office, State, & ZIP Code	Midland, TX 79705
Postage	\$ 55
Certified Fee	140
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	125
TOTAL Postage & Fees	320
Postmark or Date	MIDLAND, TX VILLAGE

PS Form 3800, April 1995 State A A/C 2 # 21

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

PS Form 3800, April 1995 State A A/C 2 # 21

Sent to	Chevron USA
Street & Number	P.O. Box 1150
Post Office, State, & ZIP Code	Midland, TX 79702
Postage	\$ 55
Certified Fee	140
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	125
TOTAL Postage & Fees	320
Postmark or Date	MIDLAND, TX VILLAGE

Z 444 966 473

District I
 PO Box 1980, Hobbs, NM 88241 1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-101
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

' Operator Name and Address. Raptor Resources, Inc. P.O. Box 160430 Austin, Tx. 78716-0430		' OGRID No_ 162791
		' API Number 30 - 025-08827
' Property Code 24671	' Property Name State 'A' A/C 2	' Well No. 21

' Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	7	22S	36E		1980	South	2316	West	Lea

s Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
' Proposed Pool 1 Jalmat, Tnsl, Yts, 7-Rivers (Pro Gas) (79240)					" Proposed Pool 2				

" Work Type Code	" Well Type Code	" Cable/Rotary	" Lease type Code	14 Ground Level Elevation
P	G		S	
16 Multiple	17 Proposed Depth	18 Formation Yates	19 Contractor	20 Spud Date

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Current Status: Eunice 7-Rivers Queen South

PROPOSED OPERATIONS:

1. Set CIBP above the Eunice Queen Perforations
2. Perforate the Tansill-Yates from 3270' - 3425
3. Adicize
4. Frac
5. POP

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Bill R. Keathly</i>		OIL CONSERVATION DIVISION	
Printed name: Bill R. Keathly		Approved by:	
Title: R regulatory Agent for Raptor		Title:	
Date: 7-26-99		Approval Date:	Expiration Date:
Phone: (915) 697-1609		Conditions of Approval: Attached	

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd. Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Revised February 21, 1994
instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-08827		2 Pool Code 79240		3 Pool Name Jalmat, TnsL, Yts, 7-Rivers (Pro Gas) (79240)	
4 Property Code 24671		5 Property Name State 'A' A/C 2			6 Well Number 21
7 OGRID No. 162791		8 Operator Name Raptor Resources, Inc,			9 Elevation

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	7	22S	36E		1980	South	2316	West	Lea

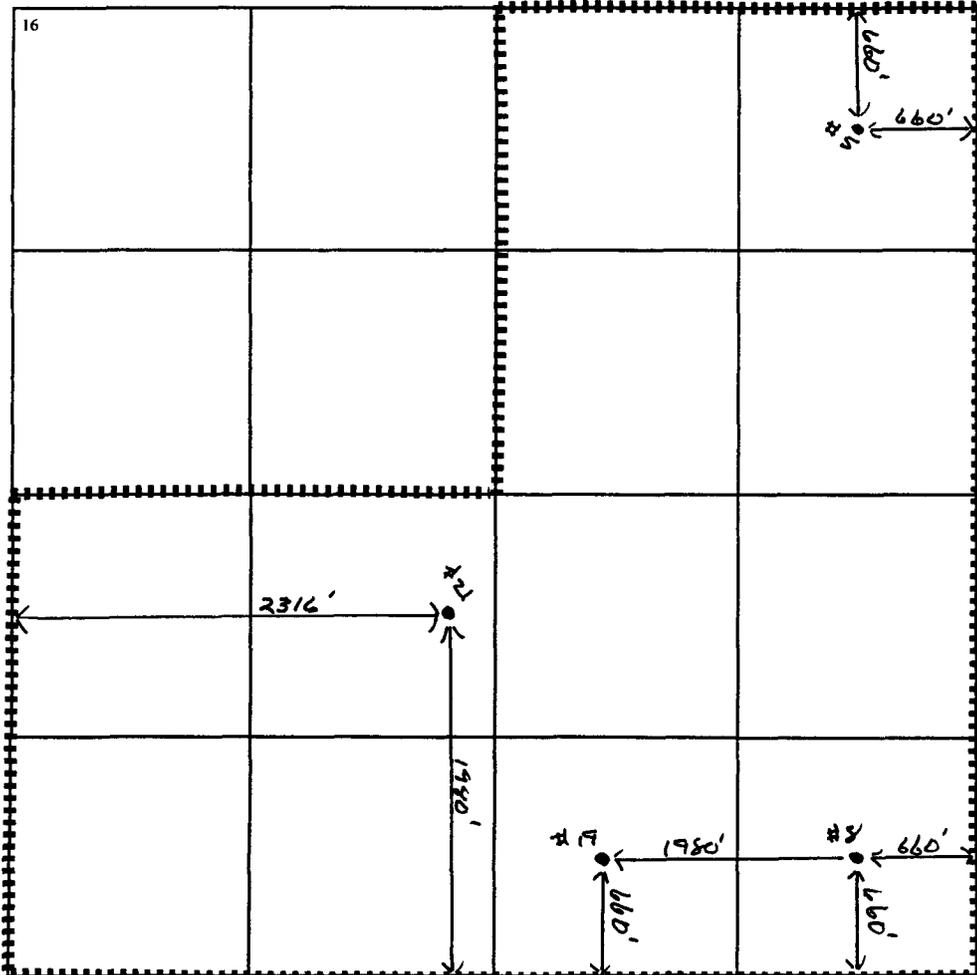
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 480	13 Joint or Infill	14 Consolidation Code	15 Order No.
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Applied For

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Bill R. Keathly
Signature
Bill R. Keathly
Printed Name
Regulatory Agent - Raptor
Title
7-26-99
Date

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey
Signature and Seal of Professional Surveyor:

Certificate Number



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

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

August 24, 1999

Raptor Resources, Inc.
Attention: Bill R. Keathly
P. O. Box 160430
Austin, Texas 78716-0430

RE: Administrative application for two additional Jalmat gas wells (State "A" A/C-2 Wells No. 19 and 21) within an existing non-standard gas spacing and proration unit ("GPU") in Section 7, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

Dear Mr. Keathly:

In your applications for the two aforementioned wells you reference an existing 480-acre unit (comprising the NE/4 and S/2 of Section 7) assigned to Raptor Resources, Inc.'s State "A" A/C-2 Wells No. 5 and 8. My records indicate that Division Order No. R-9073 authorized a 393.06-acre GPU comprising Lots 3 and 4 (W/2 SW/4 equivalent), N/2 NE/4, SE/4 NE/4, E/2 SW/4, N/2 SE/4, and SE/4 SE/4 of Section 7 (see Paragraph No. 2 of Exhibit "A" to R-9073).

Your applications appear to be incomplete since no mention or provision was made to increase the size of the existing 393.06-acre GPU by 40 acres to include the SW/4 SE/4 Unit O) of Section 7 and, of course, to omit any mention of the 40-acre Jalmat oil spacing and proration unit (SW/4 NE/4 of Section 7) currently dedicated to the State "A" A/C-2 Well No. 9. Therefore, I am returning both applications to you at this time for modification.

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