



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

September 25, 1990

Hal J. Rasmussen Operating, Inc.
Six Desta Drive
Suite 2700
Midland, TX 79705

Attention: Jay Cherski

Administrative Order NSL-2873

Dear Mr. Cherski:

Reference is made to your application dated February 5, 1990 for an unorthodox Jalmat gas well location in an existing non-standard 320-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the E/2 of Section 10, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-9073, dated December 14, 1989 (Paragraph No. (9) of Exhibit "A") and had dedicated thereon the State "A" A/C-3 Well Nos. 1 and 2 located, respectively, in Units A and I of said Section 10 to this proration unit.

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well located at an unorthodox gas well location is hereby approved:

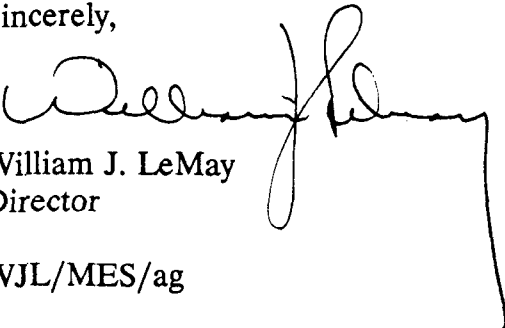
State "A" A/C-3 Well No. 8
660' FS & EL (Unit P)

Administrative Order NSL-2873
Hal J. Rasmussen Operating, Inc.
September 25, 1990
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Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-3 Well No. 8 with the State "A" A/C-3 Well Nos. 1 and 2; furthermore, you are hereby permitted to produce the allowable assigned the GPU from all of the said wells in any proportion.

All provisions applicable to the subject GPU in Division Order No. R-9073 shall remain in full force and effect until further notice.

Sincerely,

A handwritten signature in dark ink, appearing to read 'William J. LeMay', with a long horizontal stroke extending to the right.

William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe
File: Case No. 9775



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

January 18, 1991

Hal J. Rasmussen Operating, Inc.
Six Desta Drive
Suite 2700
Midland, TX 79705

Attention: Jay Cherski

Administrative Order NSL-2873-A

Dear Mr. Cherski:

Reference is made to your applications dated October 3, November 7 and November 20, 1990 for three unorthodox Jalmat gas well locations in an existing non-standard 320-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the E/2 of Section 10, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-9073, dated December 14, 1989 (Paragraph No. (9) of Exhibit "A") and had dedicated thereon the State "A" A/C-3 Well Nos. 1 and 2 located, respectively, in Units A and I of said Section 10 to this proration unit.

By Division Administrative Order NSL-2873, dated September 25, 1990, an additional well for said GPU, the State "A" A/C-3 Well No. 8 located at an unorthodox gas well location 660 feet from the South and East lines (Unit P) of said Section 10 was approved. Authorization was also given in said administrative order to simultaneously dedicate Jalmat Gas production from the State "A" A/C-3 Well No. 1, 2 and 8 to the subject GPU.

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described three wells located at unorthodox gas well locations are hereby approved:

State "A" A/C-3 Well No. 4
660' FNL & 2310' FEL (Unit B)

Administrative Order NSL-2873-A
Hal J. Rasmussen Operating, Inc.
January 18, 1991
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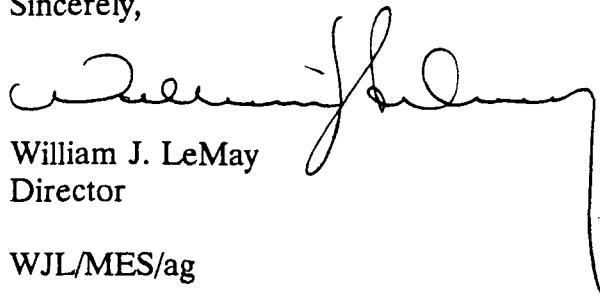
State "A" A/C-3 Well No. 5
1980' FNL & 2310' FEL (Unit G)

State "A" A/C-3 Well No. 6
1980' FSL & 2310' FWL (Unit J)

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-3 Well Nos. 1, 2 and 8 with the State "A" A/C-3 Well Nos. 4, 5, and 6; furthermore, you are hereby permitted to produce the allowable assigned the GPU from all of the said wells in any proportion.

All provisions applicable to the subject GPU in Division Order No. R-9073 and Division Order NSL-2873 shall remain in full force and effect until further notice.

Sincerely,



William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe
File: Case No. 9775
NSL-2873



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor
Jennifer A. Salisbury
Cabinet Secretary

July 24, 2000

Lori Wrotenbery
Director
Oil Conservation Division

Raptor Resources, Inc.
c/o Campbell, Carr, Berge & Sheridan, P.A.
P. O. Box 2208
Santa Fe, New Mexico 87504-2208
Attention: William F. Carr

Telefax No. (505) 983-6043

Administrative Order NSL-2873-B (SD)

Dear Mr. Carr:

Reference is made to the following: (i) your application on behalf of the operator, Raptor Resources, Inc. ("Raptor") submitted to the New Mexico Oil Conservation Division ("Division") on June 8, 2000; (ii) the Division's records in Santa Fe; (iii) the two Division directives dated December 22, 1999 and January 5, 2000; (iv) the Division's "NOTICE" to all operators in the Jalmat Pool dated January 11, 2000; and (v) the Division Director's "MEMORANDUM" to operators and interested parties in the Jalmat Pool dated February 18, 2000: all concerning Raptor's request for an unorthodox Jalmat infill gas well location within an existing non-standard 320-acre gas spacing and proration unit ("GPU") for the Jalmat Gas Pool comprising the E/2 of Section 10, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. This GPU was established by Division Order No. R-9073, dated December 14, 1989 [Paragraph No. (9) of Exhibit "A"] and had dedicated thereon the following two wells:

- (1) State "A" A/C-3 Com. "A" Well No. 1 (**API No. 30-025-09299**), located at a standard gas well location 990 feet from the North and East lines (Unit A) of Section 10; and
- (2) State "A" A/C-3 Com. "A" Well No. 2 (**API No. 30-025-09289**), located at a standard gas well location 1650 feet from the South line and 990 feet from the East line (Unit I) of Section 10.

By Division Administrative Order NSL-2873, dated September 25, 1990, another well for this GPU, the State "A" A/C-3 Com. "A" Well No. 8 (**API No. 30-025-20245**), located at an unorthodox gas well location 660 feet from the South and East lines (Unit P) of Section 10 was also approved.

The Division's most recent action within this 320-acre GPU was Division Administrative Order NSL-2873-A, dated January 18, 1991, which authorized the following three described wells located at unorthodox gas well locations within this GPU:

- (1) State "A" A/C-3 Com. "A" Well No. 4 (**API No. 30-025-09300**), located 660 feet from the North line and 2310 feet from the East line (Unit B) of Section 10;
- (2) State "A" A/C-3 Com. "A" Well No. 5 (**API No. 30-025-09303**), located 1980 feet from the North line and 2310 feet from the East line (Unit G) of Section 10, which is currently shut-in; and
- (3) State "A" A/C-3 Well No. 6 (**API No. 30-025-09302**), located 1980 feet from the South line and 2310 feet from the West line (Unit J) of Section 10.

The Division's records indicate that the aforementioned State "A" A/C-3 Well No. 6 was plugged and abandoned in 1994; therefore, this well can now be omitted from this GPU.

It is our understanding that the subject well to be considered at this time was initially drilled to a total depth of 3,865 feet in December, 1999 in order to test the Langlie-Mattix-Seven Rivers-Queen-Grayburg Pool at standard oil well location within a 40-acre standard oil spacing and proration unit comprising the SW/4 SE/4 (Unit O) of Section 10. Found to be non-productive, Raptor now seeks to recomplete this well up-hole into the Jalmat Gas Pool upon issuance of this order.

By authority granted me under the provisions of Rule 2(d) of the *"Special Rules and Regulations for the Jalmat Gas Pool"*, as promulgated by Division Order No. R-8170, as amended, and Division Rule 104.F (2) the following described well located at an unorthodox Jalmat gas well location is hereby approved:

**State "A" A/C-3 Well No. 14
660' FSL & 1980' FEL (Unit O) of Section 10
(API No. 30-025-34682).**

Also, Raptor is hereby authorized to simultaneously dedicate Jalmat gas production from the State "A" A/C-3 Well No. 14 with the State "A" A/C-3 Com. "A" Wells No. 1, 2, 4, 5, and 8. Furthermore, Raptor is hereby permitted to produce the allowable assigned the subject 320-acre GPU from all six of the above-described wells in any proportion

All provisions applicable to the subject GPU in Division Order No. R-9073 and Division Administrative Orders NSL-2873 and NSL-2873-A shall remain in full force and affect until further notice.

Administrative Order NSL-2873-B(SD)

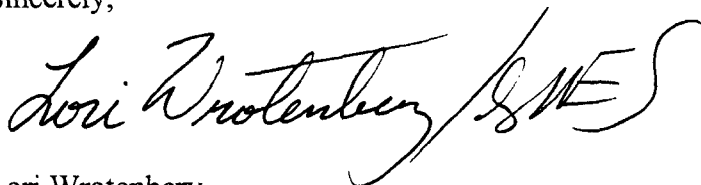
Raptor Resources Inc.

July 24, 2000

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

Sincerely,

A handwritten signature in cursive script, reading "Lori Wrotenbery / MES". The signature is written in dark ink and is positioned above the typed name and title.

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
File: NSL-2873
NSL-2873-A