



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

January 29, 1990

Hal J. Rasmussen Operating, Inc.  
Six Desta Drive  
Suite 5850  
Midland, TX 79705

Attention: Jay Cherski

*Administrative Order NSL-2723-A*

Dear Mr Cherski:

Reference is made to your application of December 20, 1989 for an unorthodox Jalmat gas well location in an existing non-standard 480-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the N/2 and SW/4 of Section 11, 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, and had dedicated thereon the State "A" A/C-1 Well Nos. 16, 29 and 34 located, respectively, located in Units A, C and K of said Section 11 to this proration unit.

By Division Administrative Order NSL-2723, dated December 6, 1989, two additional wells, the State "A" A/C-1 Well Nos. 67 and 99, located at unorthodox gas well locations in Units H and E, respectively, were approved for the subject GPU. Authorization was also given in said NSL-2723 to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well Nos. 16, 29, <sup>23</sup>67 and 99 to the subject GPU.

It is our understanding that the subject well in this application is currently completed in the Langlie-Mattix Pool, however said well will be plugged back to the Jalmat Gas Pool upon issuance of this order.

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:

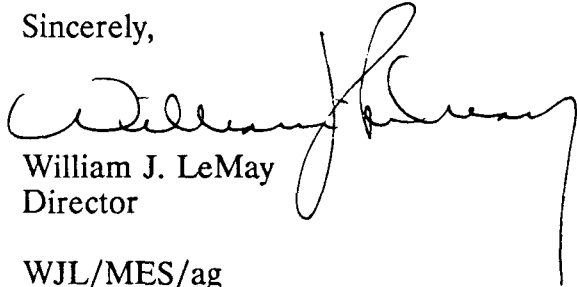
State "A" A/C-1 Well No. 62  
660' FNL - 1980' FEL (Unit B).

Administrative Order NSL-2723-A  
Hal J. Rasmussen Operating, Inc.  
January 26, 1990  
Page 2

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well No. 62 with the State "A" A/C-1 Well Nos. 16, 29, 34, 67 and 99; furthermore, you are hereby permitted to produce the allowable assigned the GPU from all of the said wells in any proportion.

All provisions of Division Administrative Order NSL-2723, dated December 6, 1989 and those provisions of Division Order No. R-9073 shall remain in full force and effect until further notice.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', with a long, sweeping horizontal line 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

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-2723-B*

Dear Mr Cherski:

Reference is made to your application dated July 25, 1990 for an unorthodox Jalmat gas well location in an existing non-standard 480-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the N/2 and SW/4 of Section 11, 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. (10) of Exhibit "A") and had dedicated thereon the State "A" A/C-1 Well Nos. 16, 29 and 34 located, respectively, in Units A, C and K of said Section 11 to this proration unit.

By Division Administrative Order NSL-2723 and NSL-2723-A, three additional wells, the State "A" A/C-1 Well Nos. 62, 67 and 99, located at unorthodox gas well locations in Units B, H and E, respectively, were approved for the subject GPU. Authorization was also given in said administrative orders to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well Nos. 16, 29, 34, 62, 67 and 99 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 well located at an unorthodox gas well location is hereby approved:

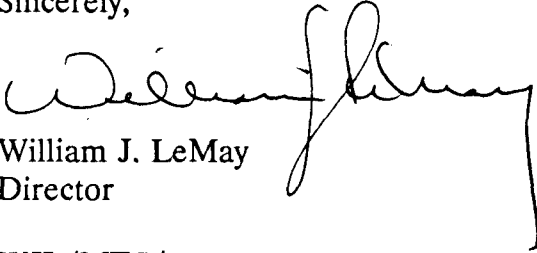
State "A" A/C-1 Well No. 85  
2310' FN & WL (Unit F).

*Administrative Order NSL-2723-B*  
*Hal J. Rasmussen Operating, Inc.*  
*September 25, 1990*  
*Page 2*

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well No. 85 with the State "A" A/C-1 Well Nos. 16, 29, 34, 62, 67 and 99; furthermore, you are hereby permitted to produce the allowable assigned the GPU from all of said wells in any proportion.

All provisions of Division Administrative Order NSL-2723, dated December 6, 1989, Division Administrative Order NSL-2723-A, dated January 29, 1990 and those 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 black 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-2723-C*

Dear Mr Cherski:

Reference is made to your application dated October 3, 1990 for an unorthodox Jalmat gas well location in an existing non-standard 480-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the N/2 and SW/4 of Section 11, 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. (10) of Exhibit "A") and had dedicated thereon the State "A" A/C-1 Well Nos. 16, 29 and 34 located, respectively, in Units A, C and K of said Section 11 to this proration unit.

By Division Administrative Order NSL-2723, NSL-2723-A and NSL-2723-B, four additional wells, the State "A" A/C-1 Well Nos. 62, 67, 85 and 99, located at unorthodox gas well locations in Units B, H, F and E, respectively, were approved for the subject GPU. Authorization was also given in said administrative orders to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well Nos. 16, 29, 34, 62, 67, 85 and 99 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 well located at an unorthodox gas well location is hereby approved:

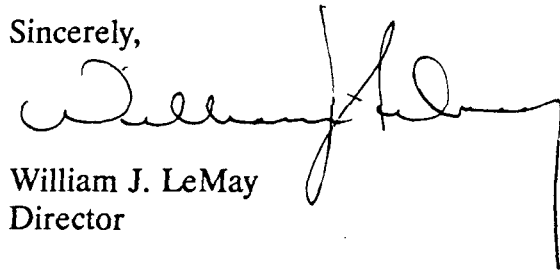
State "A" A/C-1 Well No. 103  
660' FSL & 1980' FWL (Unit N).

*Administrative Order NSL-2723-C*  
*Hal J. Rasmussen Operating, Inc.*  
*January 18, 1991*  
*Page 2*

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well No. 103 with the State "A" A/C-1 Well Nos. 16, 29, 34, 62, 67, 85 and 99; furthermore, you are hereby permitted to produce the allowable assigned the GPU from all of said wells in any proportion.

All provisions of Division Administrative Order NSL-2723, dated December 6, 1989, Division Administrative Order NSL-2723-A, dated January 29, 1990, Division Administrative Order NSL-2723-B, dated September 25, 1990 and those 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 black 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



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

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

September 16, 1999

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

***Administrative Order NSL-2723-D (SD)***

Dear Mr. Keathly:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on August 9, 1999; and (ii) the Division's records in Santa Fe: all concerning Raptor Resources, Inc.'s ("Raptor") request for an unorthodox Jalmat infill gas well location in an existing non-standard 480-acre gas spacing and proration unit ("GPU") for the Jalmat Gas Pool comprising the N/2 and SW/4 of Section 11, 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. (10) of Exhibit "A"] and had dedicated thereon the following three wells:

- (1) State "A" A/C-1 Well No. 16 (**API No. 30-025-09309**), located at an unorthodox gas well location 660 feet from the North and East lines (Unit A) of Section 11;
- (2) State "A" A/C-1 Well No. 29 (**API No. 30-025-09310**), located at a standard gas well location 990 feet from the North line and 1650 feet from the West line (Unit C) of Section 11; and
- (3) State "A" A/C-1 Well No. 34 (**API No. 30-025-09311**), located at a standard gas well location 1650 feet from the South and West lines (Unit K) of Section 11.

By Division Administrative Order NSL-2723, dated December 6, 1989, the following two described wells located at unorthodox gas well locations were approved for this GPU:

- (1) State "A" A/C-1 Well No. 67 (**API No. 30-025-09313**), located 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 11; and

- (2) State "A" A/C-1 Well No. 99 (**API No. 30-025-09372**), located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 11.

By Division Administrative Order NSL-2723-A, dated January 29, 1990, another well for this GPU, the State "A" A/C-1 Well No. 62 (**API No. 30-025-09312**), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 11 was also approved.

By Division Administrative Order NSL-2723-B, dated September 25, 1990, another well for this GPU, the State "A" A/C-1 Well No. 85 (**API No. 30-025-09316**), located at an unorthodox gas well location 2310 feet from the North and West lines (Unit F) of Section 11 was also approved.

By Division Administrative Order NSL-2723-C, dated January 18, 1991, another well for this GPU, the State "A" A/C-1 Well No. 103 (**API No. 30-025-20493**), located at an unorthodox gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 11 was also approved.

It is our understanding that the subject well to be considered at this time is currently completed in the Langlie-Mattix-Seven Rivers-Queen-Grayburg Pool, however it is to be plugged back and recompleted 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 well located at an unorthodox Jalmat gas well location in Section 11 is hereby approved:

**State "A" A/C-1 Well No. 58  
1980' FN & EL (Unit G)  
(API No. 30-025-10107).**

Also, Raptor is hereby authorized to simultaneously dedicate Jalmat gas production from the State "A" A/C-1 Well No. 58 with the State "A" A/C-1 Wells No. 16, 29, 34, 62, 67, 85, 99, and 103. Furthermore, Raptor is hereby permitted to produce the allowable assigned the subject 480-acre GPU from all nine of these wells in any proportion

All provisions applicable to the subject GPU in Division Order No. R-9073 and Division Administrative Orders NSL-2723, NSL-2723-A, NSL-2723-B, and NSL-2723-C shall remain in



Administrative Order NSL-2723-D(SD)  
Raptor Resources, Inc.  
September 16, 1999  
Page 3

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full force and affect until further notice.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenberg L. DC".

Lori Wrotenberg  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs  
New Mexico State Land Office - Santa Fe  
File: NSL-2723  
NSL-2723-A ✓  
NSL-2723-B  
NSL-2723-C



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

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

October 8, 1999

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

***Administrative Order NSL-2723-E (SD)***

Dear Mr. Keathly:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on September 17, 1999; and (ii) the Division's records in Santa Fe: all concerning Raptor Resources, Inc.'s ("Raptor") request for an unorthodox Jalmat infill gas well location in an existing non-standard 480-acre gas spacing and proration unit ("GPU") for the Jalmat Gas Pool comprising the N/2 and SW/4 of Section 11, 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. (10) of Exhibit "A"] and had dedicated thereon the following three wells:

- (1) State "A" A/C-1 Well No. 16 (**API No. 30-025-09309**), located at an unorthodox gas well location 660 feet from the North and East lines (Unit A) of Section 11;
- (2) State "A" A/C-1 Well No. 29 (**API No. 30-025-09310**), located at a standard gas well location 990 feet from the North line and 1650 feet from the West line (Unit C) of Section 11; and
- (3) State "A" A/C-1 Well No. 34 (**API No. 30-025-09311**), located at a standard gas well location 1650 feet from the South and West lines (Unit K) of Section 11.

By Division Administrative Order NSL-2723, dated December 6, 1989, the following two described wells located at unorthodox gas well locations were approved for this GPU:

- (1) State "A" A/C-1 Well No. 67 (**API No. 30-025-09313**), located 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 11; and

- (2) State "A" A/C-1 Well No. 99 (**API No. 30-025-09372**), located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 11.

By Division Administrative Order NSL-2723-A, dated January 29, 1990, another well for this GPU, the State "A" A/C-1 Well No. 62 (**API No. 30-025-09312**), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 11 was also approved.

By Division Administrative Order NSL-2723-B, dated September 25, 1990, another well for this GPU, the State "A" A/C-1 Well No. 85 (**API No. 30-025-09316**), located at an unorthodox gas well location 2310 feet from the North and West lines (Unit F) of Section 11 was also approved.

By Division Administrative Order NSL-2723-C, dated January 18, 1991, another well for this GPU, the State "A" A/C-1 Well No. 103 (**API No. 30-025-20493**), located at an unorthodox gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 11 was also approved.

By Division Administrative Order NSL-2723-D, dated September 16, 1999, another well for this GPU, the State "A" A/C-1 Well No. 58 (**API No. 30-025-10107**), located at an unorthodox gas well location 1980 feet from the North and East lines (Unit G) of Section 11 was also approved.

It is our understanding that the subject well to be considered at this time is currently completed in the Langlie-Mattix-Seven Rivers-Queen-Grayburg Pool, however it is to be plugged back and recompleted 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 well located at an unorthodox Jalmat gas well location in Section 11 is hereby approved:

**State "A" A/C-1 Well No. 92  
660' FN & WL (Unit D)  
(API No. 30-025-09137)**

Also, Raptor is hereby authorized to simultaneously dedicate Jalmat gas production from the State "A" A/C-1 Well No. 92 with the State "A" A/C-1 Wells No. 16, 29, 34, 58, 62, 67, 85, 99, and 103. Furthermore, Raptor is hereby permitted to produce the allowable assigned the subject 480-acre GPU from all ten of these wells in any proportion.

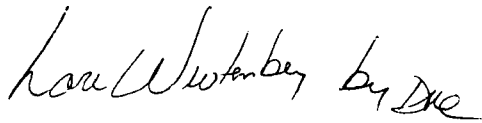
Administrative Order NSL-2723-E(SD)  
Raptor Resources, Inc.  
October 8, 1999  
Page 3

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All provisions applicable to the subject GPU in Division Order No. R-9073 and Division Administrative Orders NSL-2723, NSL-2723-A, NSL-2723-B, NSL-2723-C, and NSL-2723-D (SD) 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,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery by DHE".

Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs  
New Mexico State Land Office - Santa Fe  
File: NSL-2723  
NSL-2723-A  
NSL-2723-B  
NSL-2723-C  
NSL-2723-D (SD)



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

March 31, 2000

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

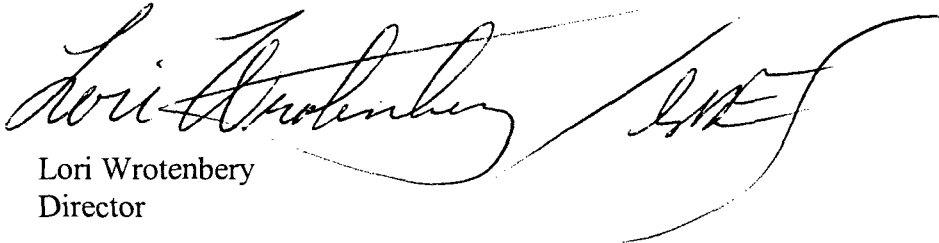
Attention: Bill R. Keathly  
Regulatory Agent

Re: *Administrative Order NSL-2723-E (SD)*

Dear Mr. Keathly:

At the request of Raptor Resources, Inc., by letter dated March 29, 2000, Division Administrative Order NSL-2723-E (SD), dated October 8, 1999, which order authorized the inclusion of the Raptor Resources, Inc.'s State "A" A/C-1 Well No. 92 (**API No. 30-025-09137**), located at an unorthodox gas well location 660 feet from the North and West lines (Unit D) of Section 11, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, into its existing non-standard 480-acre gas spacing and proration unit ("GPU") for the Jalmat Gas Pool comprising the N/2 and SW/4 of Section 11 {established by Division Order No. R-9073, dated December 14, 1989 [Paragraph No. (10) of Exhibit "A"]}, is hereby **rescinded**.

Sincerely,



Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division – Hobbs  
New Mexico State Land Office - Santa Fe  
William F. Carr, Legal Counsel for Raptor Resources, Inc. - Santa Fe  
File: NSL-2723  
NSL-2723-A  
NSL-2723-B  
NSL-2723-C  
NSL-2723-D (SD)



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

March 31, 2000

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

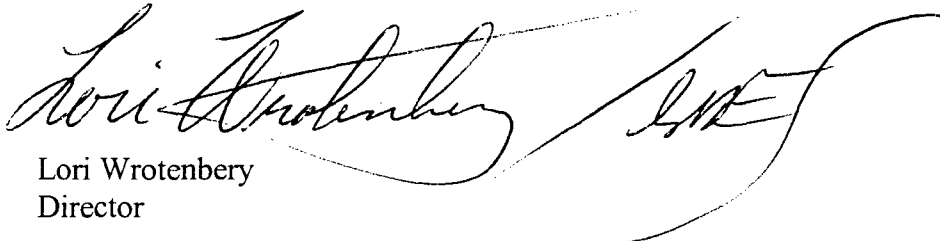
Attention: Bill R. Keathly  
Regulatory Agent

Re: *Administrative Order NSL-2723-E (SD)*

Dear Mr. Keathly:

At the request of Raptor Resources, Inc., by letter dated March 29, 2000, Division Administrative Order NSL-2723-E (SD), dated October 8, 1999, which order authorized the inclusion of the Raptor Resources, Inc.'s State "A" A/C-1 Well No. 92 (**API No. 30-025-09137**), located at an unorthodox gas well location 660 feet from the North and West lines (Unit D) of Section 11, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, into its existing non-standard 480-acre gas spacing and proration unit ("GPU") for the Jalmat Gas Pool comprising the N/2 and SW/4 of Section 11 {established by Division Order No. R-9073, dated December 14, 1989 [Paragraph No. (10) of Exhibit "A"]}, is hereby **rescinded**.

Sincerely,



Lori Wrotenberg  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division – Hobbs  
New Mexico State Land Office - Santa Fe  
William F. Carr, Legal Counsel for Raptor Resources, Inc. - Santa Fe  
File: NSL-2723  
NSL-2723-A  
NSL-2723-B  
NSL-2723-C  
NSL-2723-D (SD)



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

March 31, 2000

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

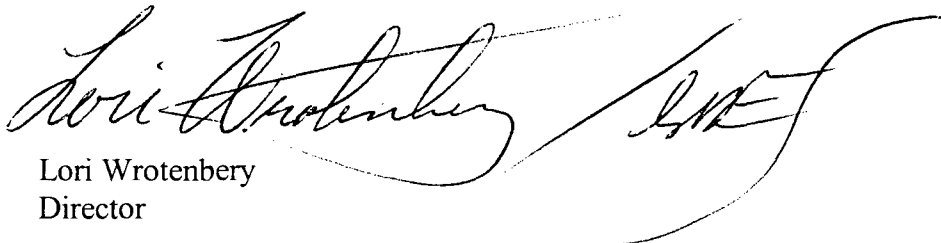
Attention: Bill R. Keathly  
Regulatory Agent

Re: *Administrative Order NSL-2723-E (SD)*

Dear Mr. Keathly:

At the request of Raptor Resources, Inc., by letter dated March 29, 2000, Division Administrative Order NSL-2723-E (SD), dated October 8, 1999, which order authorized the inclusion of the Raptor Resources, Inc.'s State "A" A/C-1 Well No. 92 (**API No. 30-025-09137**), located at an unorthodox gas well location 660 feet from the North and West lines (Unit D) of Section 11, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, into its existing non-standard 480-acre gas spacing and proration unit ("GPU") for the Jalmat Gas Pool comprising the N/2 and SW/4 of Section 11 {established by Division Order No. R-9073, dated December 14, 1989 [Paragraph No. (10) of Exhibit "A"]}, is hereby **rescinded**.

Sincerely,



Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division – Hobbs  
New Mexico State Land Office - Santa Fe  
William F. Carr, Legal Counsel for Raptor Resources, Inc. - Santa Fe  
File: NSL-2723  
NSL-2723-A  
NSL-2723-B  
NSL-2723-C  
NSL-2723-D (SD)



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON  
Governor  
Jennifer A. Salisbury  
Cabinet Secretary

Lori Wrotenbery  
Director  
Oil Conservation Division

December 26, 2001

Raptor Resources, Inc.  
c/o William F. Carr  
Holland & Hart L.L.P. and Campbell & Carr  
P. O. Box 2208  
Santa Fe, New Mexico 87504-2208

Telefax No. (505) 983-6043

*Administrative Order NSL-2723-F (SD)*

Dear Mr. Carr:

Reference is made to the following: (i) your application on behalf of the operator, Raptor Resources, Inc. ("Raptor") dated November 28, 2001 (*application reference No. pKRV0-133340859*); and (ii) the New Mexico Oil Conservation Division's ("Division") records in Santa Fe, including the files on Division Administrative Orders NSL-2723, NSL-2723-A, NSL-2723-B, NSL-2723-C, NSL-2723-D (SD), NSL-2723-E (SD) and Division Case No. 9775 (which resulted in the issuance of Division Orders No. R-9073): all concerning Raptor's requests for an unorthodox Jalmat infill gas well locations within an existing non-standard 480-acre gas spacing and proration unit ("GPU") for the Jalmat Gas Pool (79240) comprising the following described acreage in Lea County, New Mexico:

TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM  
Section 11: N/2 and SW/4.

The rules and procedures governing the Jalmat Gas Pool at the time this application was submitted include but are not necessarily limited to:

- (i) the "*Special Rules and Regulations for the Jalmat Gas Pool*," as promulgated by Division Order No. R-8170, as amended;
- (ii) Division Rule 605.B;
- (iii) Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999;
- (iv) Rule 1207.A (2); and
- (v) the amended Stipulated Declaratory Judgement of the First



Judicial District Court in Santa Fe County, New Mexico issued on July 11, 2001 in Hartman vs. Oil Conservation Division, Cause No. D-0101-CV-9902927 ("Stipulated Declaratory Judgement").

This 480-acre GPU was established by Division Order No. R-9073, issued in Case No. 9775 and dated December 14, 1989 [Paragraph No. (10) of Exhibit "A"]. The following nine described wells are shown to be currently dedicated to this unit:

- (1) State "A" A/C-1 Well No. 16 (**API No. 30-025-09309**), located at an unorthodox gas well location (originally approved by Division Order No. R-9073) 660 feet from the North and East lines (Unit A) of Section 11;
- (2) State "A" A/C-1 Well No. 29 (**API No. 30-025-09310**), located at a standard gas well location 990 feet from the North line and 1650 feet from the West line (Unit C) of Section 11, which well was also the subject of Division Order No. R-9073;
- (3) State "A" A/C-1 Well No. 34 (**API No. 30-025-09311**), located at a standard gas well location 1650 feet from the South and West lines (Unit K) of Section 11, which well was also the subject of Division Order No. R-9073;
- (4) State "A" A/C-1 Well No. 58 (**API No. 30-025-10107**), located at an unorthodox gas well location [approved by Division Administrative Order NSL-2723-D (SD), dated September 16, 1999] 1980 feet from the North and East lines (Unit G) of Section 11;
- (5) State "A" A/C-1 Well No. 62 (**API No. 30-025-09312**), located at an unorthodox gas well location (approved by Division Administrative Order NSL-2723-A, dated January 29, 1990) 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 11;
- (6) State "A" A/C-1 Well No. 67 (**API No. 30-025-09313**), located at an unorthodox gas well location (approved by Division Administrative Order NSL-2723, dated December 6, 1989) 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 11;
- (7) State "A" A/C-1 Well No. 85 (**API No. 30-025-09316**),

located at an unorthodox gas well location (approved by Division Administrative Order NSL-2723-B, dated September 25, 1990) 2310 feet from the North and West lines (Unit F) of Section 11;

(8) State "A" A/C-1 Well No. 99 (**API No. 30-025-09372**), located at an unorthodox gas well location (also approved by Division Administrative Order NSL-2723) 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 11; and

(9) State "A" A/C-1 Well No. 103 (**API No. 30-025-20493**), located at an unorthodox gas well location (approved by Division Administrative Order NSL-2723-C, dated January 18, 1991) 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 11.

It is our understanding that the subject well to be considered at this time, the plugged and abandoned Clayton Williams Energy, Inc. State "A" A/C-1 Well No. 95 (**API No. 30-025-09319**), located 1980 feet from the South line and 660 feet from the West line of Section 11, was initially drilled by Texas Pacific Coal & Oil Company in 1960 and completed in 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 NW/4 SW/4 (Unit L) of Section 11. In 1994, this well was plugged and abandoned.

By the authority granted me under the provisions of these rules, regulations, and directives, the above-described State "A" A/C-1 well No. 95, to be re-entered and completed by Raptor as a gas well within this 480-acre GPU at an unorthodox infill Jalmat gas well location, is hereby approved.

Also, Raptor is hereby authorized to simultaneously dedicate Jalmat gas production from the State "A" A/C-1 Well No. 95 with the existing State "A" A/C-1 Wells No. 16, 29, 34, 58, 62, 67, 85, 99, and 103. Furthermore, Raptor is permitted to produce the allowable assigned the subject 480-acre GPU from all ten wells in any proportion

All provisions applicable to the subject GPU in Division Order No. R-9073 and Division Administrative Orders NSL-2723, NSL-2723-A, NSL-2723-B, NSL-2723-C, and NSL-2723-D (SD) shall remain in full force and affect until further notice.

Administrative Order NSL-2723-F(SD)

Raptor Resources, Inc.

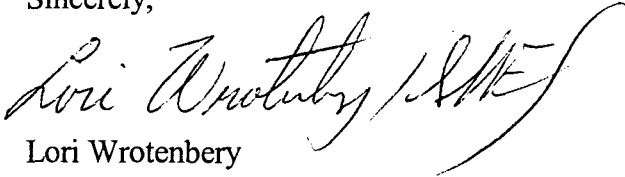
December 26, 2001

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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, appearing to read "Lori Wrotenbery / LW", written in dark ink.

Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs

New Mexico State Land Office - Santa Fe

File: NSL-2723

NSL-2723-A

NSL-2723-B

NSL-2723-C

NSL-2723-D (SD)