STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE 80X 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-2872

Dear Mr. Cherski:

Reference is made to your application dated May 22, 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 9, Township 22 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. (4) of Exhibit "A") and had dedicated thereon the State "A" A/C-2 Well Nos. 38, 40 and 63 located, respectively, in Units K, A and C of said Section 9 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-2 Well No. 57 1980' FN & EL (Unit G) Administrative Order NSL-2872 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-2 Well No. 57 with the State "A" A/C-2 Well Nos. 38, 40 and 63; 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,

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

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

January 14, 1991

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

Attention: Jay Cherski

Administrative Order NSL-2872-A

Dear Mr. Cherski:

Reference is made to your application dated October 3, 1990 for four unorthodox Jalmat gas well locations 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 9, Township 22 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. (4) of Exhibit "A") and had dedicated thereon the State "A" A/C-2 Well Nos. 38, 40 and 63 located, respectively, in Units K, A and C of said Section 9 to this proration unit.

By Division Administrative Order NSL-2872, dated September 25, 1990, an additional well for said GPU, the State "A" A/C-2 Well No. 57 located at an unorthodox gas well location 1980 feet from the North and East lines (Unit G) of said Section 9 was approved. Authorization was also given in said administrative order to simultaneously dedicate Jalmat Gas production from the State "A" A/C-2 Well Nos. 38, 40, 57 and 67 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 four wells located at unorthodox gas well locations are hereby approved:

State "A" A/C-2 Well No. 29 660' FN & WL (Unit D)

Administrative Order NSL-2872-A Hal J. Rasmussen Operating, Inc. January 14, 1991 Page 2

> State "A" A/C-2 Well No. 52 1980' FNL & 660' FEL (Unit H)

State "A" A/C-2 Well No. 67 2615' FSL & 1345' FWL (Unit K)

State "A" A/C-2 Well No. 72 1410' FSL & 1440' FWL (Unit K).

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-2 Well No. 29, 52, 67 and 72 with the State "A" A/C-2 Well Nos. 38, 40, 57 and 63; 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-2872 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-2872



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

August 20, 2001

Lori Wrotenbery
Director
Oil Conservation Division

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-2872-D (SD)

Dear Mr. Carr:

Reference is made to the following: (i) two applications that were submitted to the New Mexico Oil Conservation Division ("Division") on October 6 and 7, 1999 by Mr. Bill Keathly; (ii) the Division's records in Santa Fe, including the files on Division Order No. 9073, as amended, Administrative Orders NSL-2872, NSL-2872-A, NSL-2872-B (SD), and NSL-2872-C (SD), Division Cases No. 12303 and 12678; and (iii) your telephone conversation with Mr. Michael E. Stogner, Engineer in Santa Fe on August 20, 2001: all concerning Raptor Resources, Inc.'s ("Raptor") requests for two unorthodox Jalmat infill gas well locations within 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 9, Township 22 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. (4) of Exhibit "A"]. The following nine described wells were dedicated to this unit at the time these applications were filed with the Division:

- (1) State "A" A/C-2 Well No. 1 (API No. 30-025-08849), located at an unorthodox gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 9 [approved by Division Administrative Order NSL-2872-B (SD), dated November 4, 1992];
- (2) State "A" A/C-2 Well No. 4 (API No. 30-025-08853), located at an unorthodox gas well location 660 feet from the South and West lines (Unit M) of Section 9 [approved by Division Administrative Order NSL-2872-C (SD), dated July 6, 1999];
- (3) State "A" A/C-2 Well No. 29 (API No. 30-025-08854), located at an unorthodox gas well location 660 feet from the North and West lines (Unit D) of Section 9 [approved by Division Administrative Order NSL-2872-A, dated January

14, 1991];

- (4) State "A" A/C-2 Well No. 38 (API No. 30-025-08847), located at an unorthodox gas well location 1980 feet from the South and West lines (Unit K) of Section 9, which was approved by Division Order No. R-9073;
- (5) State "A" A/C-2 Well No. 40 (API No. 30-025-08848), located at a standard gas well location 990 feet from the North and East lines (Unit A) of Section 9, which was the subject of Division Order No. R-9073;
- (6) State "A" A/C-2 Well No. 57 (API No. 30-025-20297), located at an unorthodox gas well location 1980 feet from the North and East lines (Unit G) of Section 9 [approved by Division Administrative Order NSL-2872, dated September 25, 1990];
- (7) State "A" A/C-2 Well No. 63 (API No. 30-025-25543), located at a standard gas well location 990 feet from the North line and 2310 feet from the West line (Unit C) of Section 9, which was also the subject of Division Order No. R-9073;
- (8) State "A" A/C-2 Well No. 67 (API No. 30-025-28276), located at an unorthodox gas well location 2615 feet from the South line and 1345 feet from the West line (Unit K) of Section 9 [also approved by Division Administrative Order NSL-2872-A]; and
- (9) State "A" A/C-2 Well No. 72 (API No. 30-025-28281), located at an unorthodox gas well location 1410 feet from the South line and 1440 feet from the West line (Unit K) of Section 9 [also approved by Division Administrative Order NSL-2872-A].

It is our understanding that the two subject wells to be considered at this time are currently completed in the South Eunice-Seven Rivers-Queen Pool at standard oil well locations; however, both are to be plugged back and recompleted up-hole into the Jalmat Gas Pool upon issuance of this order.

Administrative Order NSL-2872-D(SD)
Raptor Resources Inc.
August 20, 2001
Page 3

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 two described wells located at unorthodox Jalmat infill gas well locations, both in Section 9, are hereby approved:

State "A" A/C-2 Well No. 30 1980' FNL & 660' FWL (Unit E) (API No. 30-025-08855)

State "A" A/C-2 Well No. 48 660' FNL & 1980' FEL (Unit B) (API No. 30-025-08845).

Also, Raptor is hereby authorized to simultaneously dedicate Jalmat gas production from the State "A" A/C-2 Wells No. 30 and 48 with the State "A" A/C-2 Wells No. 1, 4, 29, 38, 40, 57, 63, 67, and 72. Furthermore, Raptor is hereby permitted to produce the allowable assigned the subject 480-acre GPU from all eleven of these wells in any proportion

All provisions applicable to the subject GPU in Division Order No. R-9073 and Division Administrative Orders NSL-2872, NSL-2872-A, NSL-2872-B (SD), and NSL-2872-C (SD) shall remain in full force and affect until further notice.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs

New Mexico State Land Office - Santa Fe

File: NSL-2872

NSL-2872-A

NSL-2872-B (SD)

NSL-2872-C (SD)

Case No. 12303

Case No. 12678