



**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-3089-A (SD)

Dear Mr. Keathly:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on August 20, 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 within an existing standard 640-acre gas spacing and proration unit ("GPU") for the Jalmat Gas Pool comprising all of Section 11, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Presently there are three Division orders that address well placement and the number of wells within this GPU:

- (1) By Order No. R-6483, issued in Case No. 7022 dated October 20, 1980, the Division in part, authorized for the simultaneous dedication of the following four wells to the subject 640-acre GPU:
 - (a) State "A" A/C-2 Well No. 14 (API No. 30-025-08873), located 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 11;
 - (b) State "A" A/C-2 Well No. 36 (API No. 30-025-08878), located 660 feet from the South and West lines (Unit M) of Section 11;
 - (c) State "A" A/C-2 Well No. 42 (API No. 30-025-08879), located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 11; and
 - (d) State "A" A/C-2 Well No. 62 (API No. 30-025-25542), located at a standard gas well location 1980 feet from the South line and 2310 feet from the West line (Unit K) of Section 11.
- (2) By Division Order No. R-8575, issued in Case No. 9275 and dated January 4, 1988, authorization was given to include the State "A" A/C-2 Well No. 73 (API No. 30-025-30035), located at an unorthodox gas well location 990 feet from the South line and 660 feet from the East line (Unit P) of

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Section 11 to the GPU.

- (3) By Division Administrative Order NSL-3089, dated January 17, 1992, authorization was given to include the State "A" A/C-2 Well No. 15 (**API No. 30-025-08874**), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 11 to the GPU.

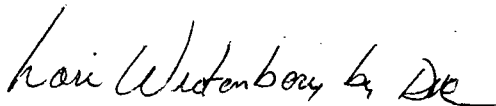
By authority granted me under the provisions of Rule 2(d) of the "*Special Rules and Regulations for the Jalmat Gas Pool*", as promulgated by Division Order No. R-8170, as amended, and Division Rule 104.F (2) the following well to be drilled at an unorthodox Jalmat gas well location in Section 11 is hereby approved:

**State "A" A/C-2 Well No. 75
2040' FSL & 660' FWL (Unit L).**

Also, Raptor is hereby authorized to simultaneously dedicate Jalmat gas production from the proposed State "A" A/C-2 Well No. 75 with the existing State "A" A/C-2 Wells No. 14, 15, 36, 42, 62, and 73. Furthermore, Raptor is hereby permitted to produce the allowable assigned the subject 640-acre GPU from all seven of these wells in any proportion

All provisions applicable to the subject GPU in Division Orders No. R-6483 and R-8575 and Division Administrative Order NSL-3089(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-3089(SD)✓