# **RAPTOR RESOURCES, INC.**

P.O. Box 160430

Austin, Texas 78716-0430

CR. COMBERVATION DIVISION

R- 8575

August 15, 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) 2040' FSL and 660' FWL Section:11,:T:22S,:R:36E-(L-), 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 drill it's **State "A" A/C 2 Well No. 75** in the Jalmat Tansil Yates 7-Rivers (Pro Gas Pool). It is our desire to also simultaneously dedicate the existing 640-acre Proration Unit assigned to our well nos.14, 15, 36, 42, 62, and 73 to all seven wells. Previously approved orders are R 8575, R6483, R 5493, R4116, NSL 3089-SD.

The offset operator plat shows that Chevron USA Inc, Arco Permian, Conoco Inc, Gruy Petroleum Management Co., Betwell Oil & Gas Co. 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 <u>BRKeathly@juno.com</u>.

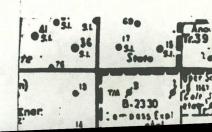
Sincerely. Bill R. Keathly

Regulatory Agent for Raptor Resources

Cc: Oil Conservation Division - Hobbs

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Chevron USAInc. Conoco Betwell 0+6 GEWY Petro Arco Permisin



State "A" A/C 2 # 75 Section 11, T-22S, R-36E, L API # not assigned Lea County, New Mexico

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#### **RE:** Application for Unorthodox Location

#### **Notification of Offset Operators:**

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

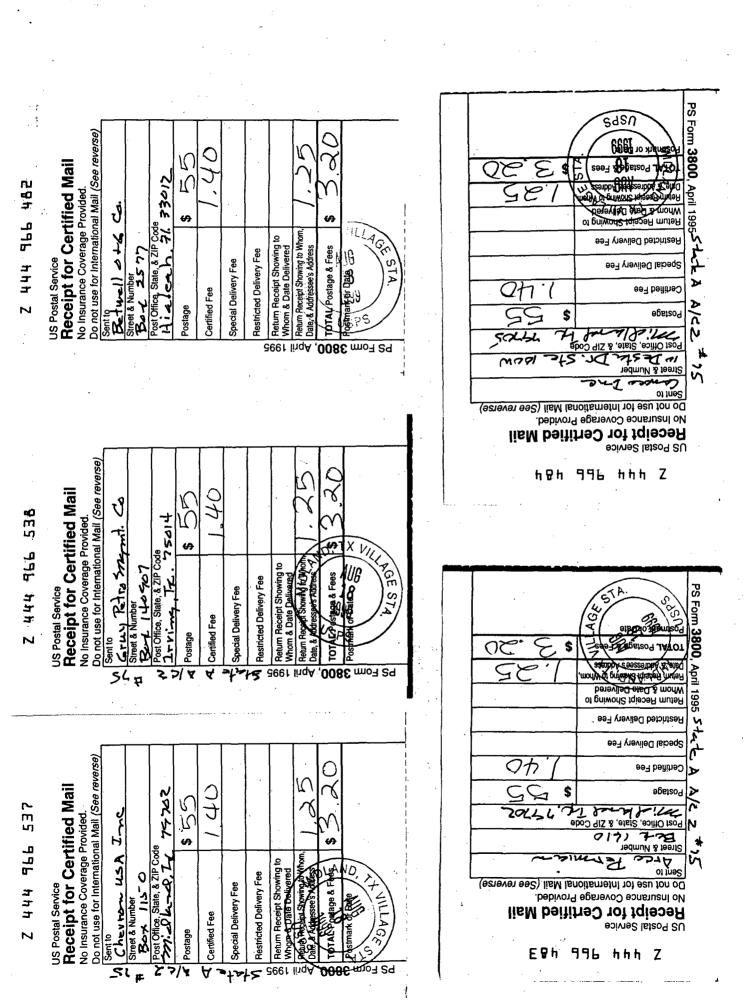
Conoco Inc 10 Desta Dr., Ste 100W Midland, TX 79705

ARCO Permian P.O. Box 1610 Midland, TX 79702-1610

Betwell Oil & Gas Co. P.O. Box 2577 Hialeah, FL 33012

Gruy Petroleum Management Co. P.O. Box 140907 Irving, TX 75014-0907

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



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 Offico State Lease - 6 Copies Fee Lease - 5 Copies

AMENDED REPORT

# APPLICATION FOR PERMIT TO DR1LL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<b>O</b> .	APPLICA	TION	FOR PE			-	$\frac{1}{1}$	EPEN	N, PLUGB	ACK,		DD A ZONE	
And and	' Operator Name and Address.									-	'OGRID No_		
1.00	Raptor Recources, Inc.										162791		
<u> </u>	P.O. Box 160430 Austin, Tx. 78716-0430									' API Number 30 - 0			
										30-0			
	' Property Code						•					' Well No.	
	24671						State A A/C 2					75	
		r				<b>.</b>						<b>T</b>	
	UL or lot no. Section Townsh		Township			Feet from the	North/South	line	Feet from the	East/V	Vest lin <del>e</del>	County	
	L	11	225	36E		2040	South				Lea		
			s Pi	·	Bottom	Hole Locat	tion If Diff	erent	From Surf	tace			
	UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South	line	Feet from the	East/V	Vest line	County	
			' Propos	ed Pool 1					" Propos	ed Pool 2	2		
	Ja	almat; Ta	n-Yates-7	Rvrs (Oi	l) (33820	0)							
	·	<u></u>			<u></u>		/D						
	" Work Type Code			" Well Type Code			" Cable/Rotary		" Lease type Code 14 (		14 Grou	4 Ground Level Elevation	
	N 16 Muttiple			0			R				3557		
									19 Contractor			0 Spud Date	
				3400'			Yates (only) Capstar Drlg.			9-1-99		9-1-99	
	<sup>21</sup> Prozosed Casiing and Cement Program												
	Hole Size					ng weight/foot	Setting D	epth	Sacks of		: 1	Estimated TOC	
×	12 1/4"			8 5/8"		24#	600'		24			Surface	
	7 7/8"		51	1/2"		15.5#	3400'		490			Surface	
								· · · · · ·		· · · - · · · - ·			
1	Describe the dr	inconsed pro	oram If this	application	is to DEEPE		Caive the data o	n the pr		7000 0	nd proposed	1 pow productivo	
· •	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 anyUse additional sheets if necrosary. It is proposed to drill a vertical wellbore to the base of the Yates Formation. The well will be drilled and equipped according to												
				wellbore	to the bas	e of the Yates	Formation.	The we	ell will be dri	lled an	d equippe	ed according to	
	the following	g attachin	ients:										
	1. Well Location & Acreage Dedication Plat (C-102)												
2. Proposed Well Plan													
	3. Cementing Program												
5. BOP/Choke diagram													
	23 I hereby cenify that the information given above is true and complute to the b					lute to the best	OIL CONSERVATION DIVISION				ION		
	ð	let	~ <del>~ /</del>	(an)	Le,	Z	pproved by:						
	Printed name:	Bill R. K	Ti	Title:									

Title:	R egulatory Age	nt for Raptor	Approval Date:	Expiration Date:
Date:		Phone	Conditions of Approval:	
	7-26-99	(915) 697-1609	Attached	

DISTRICT I P.O. Box 1980, Hobbs, NM 88841-1980

DISTRICT II P.O. Drawer DD, Artesis, NM 88211-0719

DISTRICT III 1000 Rio Brazos Rd., Asteo, NM 87410 OIL CONSERVATION DIVISION P.O. Box 2088

Santa Fe. New Mexico 87504-2088

DISTRICT IV P.O. Box 2085, Santa Fe, NM 57504-2085

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool	Pool Name		
	33820	Jalmast; Term - Vates-	TRYPS		
Property Code	······································	Property Name			
24671	S	75			
OGRID No.		Elevation			
162791	RAPT	3557			

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Bast/West line	County
	11	22 S	36 E		2040	SOUTH	660	WEST	LEA
Bottom Hole Location If Different From Surface									

#### UL or lot No. Section Range East/West line Township Lot Idn Feet from the North/South line Feet from the County Dedicated Acres Joint or Infill **Consolidation** Code Order No. 640

#### 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

1750'	₩ 13- 3089	# , 4 R-6483	1930'	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and bellef.
		 	       	Bier K. Sauly Signature Bill R. Keathly Printed Name Regulatory Agent - Raptor Title
R-3892 R-6483 1#42 R-6483				Regulatory Agent - Rapbr Title 7-26-99 Date SURVEYOR CERTIFICATION
	R.6.483 Giondi 2.710' #62			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 supervison, and that the same is true and correct to the best of my belief.
		- 	     	JULY 8, 1999 Date Supression Signature Seaf 60 Protectional Surveyor METON WE
R-3892 R-3892 R-6483	1430'		* 13, 666' R-8575	34.0. Non 99-10-50512 Centrative No. ROMALES EDSON, 3239
			6	Thin A POFESSION GEDSON, 12641



Energy, Minerals and Natural Resources Department

Form C-102 Revised February 10, 1994 Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

□ AMENDED REPORT

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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

THE APPLICATION OF SUN EXPLORATION AND PRODUCTION COMPANY FOR AMENDMENT

OF DIVISION ORDER NO. R-6483, LEA

CASE NO. 9275 Order No. R-8575 *Q-6483 Q-6483 Q-5493 Q-3892 R-3892-A R-609 R-520* 

# BY THE DIVISION:

COUNTY, NEW MEXICO.

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This cause came on for hearing at 8:15 a.m. on December 16, 1987, at Santa Fe, New Mexico, before Examiner David R. Catanach.

ORDER OF THE DIVISION

NOW, on this <u>4th</u> day of January, 1988, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

#### FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction on this cause and the subject matter thereof.

(2) By Order No. R-6483 dated October 20, 1980, the Division authorized the Sun Exploration and Production Company to simultaneously dedicate its State "A" A/C-2 Wells Nos. 14, 36, 42, and 62 located respectively in Units B, M, E, and K of Section 11, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, to a standard 640-acre Jalmat Gas Pool proration unit consisting of said Section 11.

(3) The applicant in the present case, Sun Exploration and Production Company, seeks the amendment of said Division Order No. R-6483, for approval of an unorthodox Jalmat Gas Pool well location for its State "A" A/C-2 Well No. 73 located 990 feet from the South line and 660 feet from the East line (Unit P) of

Page 2 Case No. 9275 Order No. R-8575

said Section 11, and to further authorize the simultaneou. dedication of the above described gas proration unit to its State "A" A/C-2 Well No. 73 and to the existing wells described in Finding No. (2) above.

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(4) The applicant testified that the State "A" A/C-2 Well No. 73 was originally drilled at a standard oil well location within the Arrowhead-Grayburg Pool, was subsequently tested within the Grayburg formation, and proved to be non-commercial.

(5) The applicant further testified that said State "A" A/C-2 Well No. 73 was subsequently recompleted in the Penrose formation of the Jalmat Gas Pool and is currently capable of commercial production in said pool.

(6) The applicant presented drainage calculations which indicate that said State "A" A/C-2 Well No. 73 will drain a portion of the proration unit not currently being drained by the existing wells.

(7) The applicant further testified that approval of the subject application will enable the production of remaining gas reserves within the Jalmat Gas Pool underlying the proration unit which would otherwise not be recovered by the existing wells, thereby preventing waste.

(8) No offset operator objected to the proposed unorthodox -location and simultaneous dedication.

(9) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and should otherwise prevent waste and protect correlative rights.

#### IT IS THEREFORE ORDERED THAT:

(1) Ordering Paragraph No. (2) of Division Order No. R-6483 is hereby amended to read in its entirety as follows:

Page 3 Case No. 9275 Order No. R-8575

"The applicant is further authorized to simultaneously dedicate its State "A" A/C-2 Wells Nos. 14, 36, 42, and 62 located respectively in Units B, M, E, and K of Section 11, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, and its State "A" A/C-2 Well No. 73 located at an unorthodox location 990 feet from the South line and 660 feet from the East line (Unit P) of said Section 11, also hereby approved, to a standard 640-acre Jalmat Gas Pool proration unit consisting of all of said Section 11."

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(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WILLIAM J. LEMAY, Director

SEAL

### STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THF OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 7022 Order No. R-6483

APPLICATION OF TEXAS PACIFIC OIL COMPANY, INC. FOR A NON-STANDARD PRORATION UNIT AND SIMULTANEOUS DEDICATION, LEA COUNTY, NEW MEXICO.

#### ORDER OF THE DIVISION

#### BY THE DIVISION:

See Also Ofulera 100 R-8575 R-6483-A R-5497 R-6483-A

R- 3872 R-3872-A R-604

R-520

This cause came on for hearing at 9 a.m. on September 17, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>20th</u> day of October, 1980, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

## FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Texas Pacific Oil Company, Inc., seeks approval for the simultaneous dedication of a 320-acre non-standard gas proration unit comprising the N/2 of Section 9, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, to be dedicated to its Wells Nos. 40 and 63, located in Units A and C, respectively, of said Section 9.

(3) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Jalmat Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid wells.

(4) That the applicant further seeks approval to simultaneously dedicate its Wells Nos. 14, 36, 42, and 62 located in Units B, M, E, and K, respectively, of Section 11, Township -2-Case No. 7022 Order No. R-6483

22 South, Range 36 East, to a standard proration unit to be comprised of all of said Section 11.

(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(6) That Division Order No. R-5493 which created the four proration units which are being abolished to create the two subject new units should be superseded.

### IT IS THEREFORE ORDERED:

(1) That the applicant, Texas Pacific Oil Company, Inc., is hereby granted a 320-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the N/2 of Section 9, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, to be simultaneously dedicated to its Wells Nos. 40 and 63, located in Units A and C, respectively, of said Section 9.

(2) That the applicant is further authorized to simultaneously dedicate its Wells Nos. 14, 36, 42, and 62 located in Units B, M, E, and K, respectively, of Section 11, Township 22 South, Range 36 East, NMPM, to a standard proration unit in said Jalmat Gas Pool to be comprised of all of said Section 11.

(3) That Division Order No. R-5493 is hereby superseded.

(4) That the proration balancing status of each of the aforesaid newly created proration units shall be the current combined status of the proration units which are hereby abolished in order to create the new units.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

-3-Case No. 7022 Order No. R-6483

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO JOE D. RAMEY Director

SEAL

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

# IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 9774 ORDER NO. <u>R-8575-A</u> R-6483-A

# APPLICATION OF HAL J. RASMUSSEN OPERATING, INC. TO AMEND DIVISION ORDERS R-6483 AND R-8575 AND FOR SPECIAL GAS METERING PROVISIONS, LEA COUNTY, NEW MEXICO

#### ORDER OF THE DIVISION

### **BY THE DIVISION:**

This cause came on for hearing at 8:15 a.m. on October 4, 1989, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>14th</u> day of December, 1989, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

#### FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) At the time of the hearing this case was consolidated with Division Case Nos. 9775 and 9776 for the purpose of testimony.

(3) By Division Order No. R-6483 dated October 20, 1980, the Division, in part, authorized the operator to simultaneously dedicate the State "A" A/C-2 Well Nos. 14, 36, 42 and 62 located respectively in Units B, M, E and K of Section 11, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, to a standard 640-acre Jalmat Gas Pool proration unit comprising all of said Section 11.

Case No. 9774 Order No. R-8575-A R-6483-A Page No. 2

(4) On January 4, 1988, by Division Order No. R-8575, said Order No. R-6483 was amended to include the State "A" A/C-2 Well No. 73, located at an unorthodox gas well location 990 feet from the South line and 660 feet from the East line (Unit P) of said Section 11, in the simultaneous dedication of said 640-acre Jalmat Gas proration unit.

(5) The applicant, Hal J. Rasmussen Operating, Inc., now seeks to amend both Division Order Nos. R-6483 and R-8575 by authorizing special metering provisions for Jalmat Gas production whereby the operator would meter the total gas production from said unit and allocate this production back to each of the aforementioned wells by means of periodic testing.

(6) Because the production is from a single gas proration unit in the Jalmat Gas Pool, the working interest and royalty ownership will not be adversely affected by granting this application.

(7) Doyle Hartman, an operator and mineral interest owner in the Jalmat Gas Pool, appeared at the hearing and objected to this application.

(8) No offsetting owners, operators or gas purchasers objected to this application.

(9) The applicant is taking over as gas purchaser/transporter for properties in this area including this proration unit and seeks to utilize a system of gas measurement and allocation to unit wells that will eliminate the need for a meter at each well and the associated costs.

(10) The applicant's proposed metering and testing procedures provide that one of the five unit wells will be flowing through a test meter on a daily basis for 48 hours with each other unit well being tested in turn so that after the 10th day, the first well will go back on test for two days. The wells not on test will be flowing through a field production meter. The daily amount of gas credited to the wells on this system would be the total of the production through both the field and test meters. The production will be allocated back to each one of the wells on the unit based upon the data derived from the periodic testing through the test meter.

(11) It is the intention of the applicant in his request to reduce production costs and to more efficiently operate the subject proration unit by consolidating production facilities and to eliminate unnecessary equipment.

(12) The reduced cost of operation is expected to extend the economical life of the wells on the proration unit, increase the ultimate recovery of gas therefrom and thereby prevent waste.

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Case No. 9774 Order No. R-8575-A R-6483-A

Page No. 3

(13) The applicant should file with the Division OCD Form C-111 and comply with General Rule 1111 in addition to any other report or form required to be filed as operator of the proration unit and as transporter for the wells involved herein.

(14) The Division should be empowered to administratively rescind any portion of this order or require that a particular well or wells be metered individually if it should appear that such action is necessary to prevent waste or protect correlative rights.

(15) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and should otherwise prevent waste and protect correlative rights.

#### IT IS THEREFORE ORDERED THAT:

(1) Division Order Nos. R-6483 and R-8575 are hereby amended to include a provision for special metering provisions for Jalmat Gas Pool production from the operator's standard 640-acre gas spacing and proration unit comprising all of Section 11, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, being simultaneously dedicated to the State "A" A/C-2 Well Nos. 14, 36, 42, 62 and 73 all located in Units B, M, E, K and P, respectively, of said Section 11.

(2) Said special metering provisions shall be carried out as described in Finding Paragraph No. (10) above.

(3) The applicant in this matter, Hal J. Rasmussen Operating, Inc., shall file with the Division OCD Form C-111 and comply with General Rule 1111 in addition to any other reports or forms required to be filed as operator of the subject proration unit and as transporter for the wells involved herein.

(4) The Division may administratively rescind any portion of this order or require a particular well or wells be metered individually if it should appear necessary to prevent waste and protect correlative rights.

(5) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Case No. 9774 Order No. R-8575-A R-6483-A

Page No. 4

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION-DIVISION WILLIAM J. LEMAY

Director

SEAL