



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

December 22, 1999

W. Thomas Kellahin, Esq.  
Kellahin & Kellahin  
P.O. Box 2265  
Santa Fe, NM 87504-2265

Attorneys for SDX Resources, Inc.

J.E. Gallegos, Esq.  
Michael J. Condon, Esq.  
Gallegos Law Firm  
460 St. Michael's Drive  
Santa Fe, NM 87505

Attorneys for Doyle Hartman, Oil Operator

William F. Carr, Esq.  
Campbell, Carr, Berge & Sheridan, P.A.  
P.O. Box 2208  
Santa Fe, NM 87504-2208

Attorneys for Raptor Resources, Inc.

RE: Cases No. 12301 and 12302 ---Applications of SDX Resources, Inc. for  
unorthodox infill gas well locations in the Jalmat Gas Pool  
Cases No. 12303 and 12304---Applications of Raptor Resources, Inc. for  
unorthodox infill gas well locations in the Jalmat Gas Pool

Gentlemen:

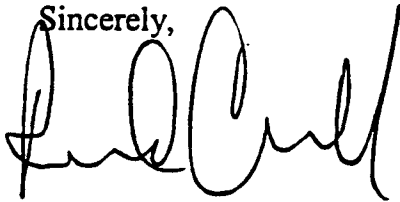
At the prehearing conference held on Tuesday, December 21, the Division took the following actions:

- (i) the APDs and other approvals for the SDX and Raptor wells complained of by Hartman were rescinded with the applications to be stayed pending the March 2, 2000, hearing on the Jalmat Special Pool Rules;
- (ii) a new case will be docketed by the Division for March 2, 2000, to review the Jalmat Special Pool Rules;

- (iii) a Jalmat Pool operators meeting will be held on Tuesday, January 25 at the OCD Hobbs District Office to review the Jalmat Special Pool Rules with SDX, Raptor and Hartman to attend, with the possibility of a second operators meeting to be held prior to the March 2, 2000, hearing;
- (iv) a notice will be issued to all Jalmat Pool operators placing a moratorium on all new Jalmat infill wells on a greater density than 160 acres pending the March 2 hearing; and
- (v) the above-referenced applications as well as the Motions to Quash will be stayed pending the March 2 hearing.

If you have any questions, please feel free to call me at 827-8156. I will be out of the office until January 4, 2000.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rand Carroll', with a stylized, cursive script.

Rand Carroll

c: Lori Wrotenbery, OCD Director  
Michael E. Stogner, OCD Hearing Examiner  
David Catanach, OCD Hearing Examiner  
Mark Ashley, OCD Hearing Examiner  
Chris Williams, OCD Hobbs District Supervisor



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& NATURAL RESOURCES DEPARTMENT**

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

January 5, 2000

W. Thomas Kellahin, Esq.  
Kellahin & Kellahin  
P.O. Box 2265  
Santa Fe, NM 87504-2265

Attorneys for SDX Resources, Inc.

J.E. Gallegos, Esq.  
Michael J. Condon, Esq.  
Gallegos Law Firm  
460 St. Michael's Drive  
Santa Fe, NM 87505

Attorneys for Doyle Hartman, Oil Operator

William F. Carr, Esq.  
Campbell, Carr, Berge & Sheridan, P.A.  
P.O. Box 2208  
Santa Fe, NM 87504-2208

Attorneys for Raptor Resources, Inc.

RE: Clarification of December 22, 1999 letter from Rand Carroll

Gentlemen:

Paragraph (i) of the above-referenced letter refers to Division actions regarding SDX and Raptor wells. This letter clarifies which wells and/or applications are affected by that letter and what actions will be taken by the Division.

Cases No. 12301, 12302, 12303 and 12304 will be continued to the March 16, 2000 docket, the docket after the docket at which the Division's application to review the Jalmat Special Pool Rules will be heard.

Hartman's objections/protests to Orders No. SD 99-14 and SD 99-15 will be set for hearing as an application of Hartman for rescission of those orders. This application will also be set for hearing on March 16, 2000.

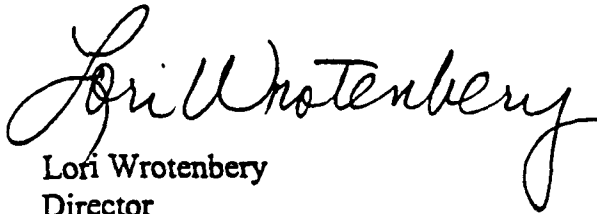
The NSL orders issued to Raptor in which notice should have been given to Hartman as an offset operator but was not are reopened pursuant to Rule 1207.D. and will also be set for hearing on March 16, 2000. Such NSL orders include Orders No. NSL 2872-C(SD), NSL 2723-D(SD), NSL 2723-E and NSL 2816-C(SD). Hartman must notify the Division of any additional NSL applications in this category.

No wells other than the wells that are the subject of the above-referenced cases and orders are affected by the December 22, 1999 letter.

Approvals for all Jalmat infill wells on a density of less than 160 acres per well have been held since December 23, 1999 and will continue to be held pending the March 2, 2000 hearing.

The Division trusts that the parties will actively participate at the Jalmat Pool operators meeting on January 25, 2000 at the OCD District Office in Hobbs and that an agreeable solution can be worked out regarding further development of the Jalmat Pool.

Sincerely,

  
Lori Wrotenbery  
Director

c: Don Kane, Esq., Gorsuch & Kirgis LLP  
Rand Carroll, OCD Legal Counsel  
Michael E. Stogner, OCD Hearing Examiner  
David Catanach, OCD Hearing Examiner  
Mark Ashley, OCD Hearing Examiner  
Chris Williams, OCD Hobbs District Supervisor



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2040 South Pacheco Street  
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**NOTICE: Jalmat Operators**

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**TO:** All Operators in the Jalmat Pool

**FROM:** Michael E. Stogner, Chief Hearing Examiner/Engineer (NMOCD) *MS*

**SUBJECT:** (1) Approvals for Infill Gas Wells and  
(2) Operators Meeting to Review the Rules Governing the Jalmat Pool.

**DATE:** January 11, 2000

---

The Division believes that recent issues in the Jalmat Pool warrant review of the rules and procedures governing this pool.

Since December 23, 1999, the Division has been holding and not approving applications for additional gas wells on a density of less than 160 acres pending a review of the special rules governing the Jalmat Pool.

An Operators' meeting is therefore scheduled for January 25, 2000 in Hobbs, New Mexico at the Division's District office located at 1625 N. French Drive. This meeting will start at 9:00 a.m. and is expected to conclude by 12:30 p.m. All participants are encouraged to discuss openly any problems, concerns, and issues affecting this pool. Further, proposed rule changes by all operators will be discussed and, if needed, a committee will be formed to entertain such changes and prepare a formal presentation to be considered for adoption.

A Division Examiner's Hearing is scheduled on March 2, 2000 for the Operators group to report and make recommendations of possible rule changes.

It is important that all operators in the Jalmat Pool participate so that a full and comprehensive discussion is held identifying all pertinent issues affecting further development of this pool.

CMD :  
OG5SECTONGARD  
INQUIRE LAND BY SECTION02/24/00 09:31:22  
OGOMES -TQDI  
PAGE NO: 1

Sec : 05 Twp : 22S Rng : 36E Section Type : NORMAL

4 40.30 CS A00983 0004 ORYX ENERGY CO 07/27/38 A	3 40.20 CS A00983 0004 ORYX ENERGY CO 07/27/38 A	2 40.12 CS B01506 0000 ATLANTIC RICHFIEL 12/01/38 A	1 40.02 CS B01506 0000 ATLANTIC RICHFIEL 12/01/38
E 40.00 CS A00983 0004 ORYX ENERGY CO 07/27/38 A	F 40.00 CS A00983 0004 ORYX ENERGY CO 07/27/38 A	G 40.00 CS B01506 0000 ATLANTIC RICHFIEL 12/01/38 A	H 40.00 CS B01506 0000 ATLANTIC RICHFIEL 12/01/38

M0002: This is the first page

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

16E.14

CMD :  
OG5SECTONGARD  
INQUIRE LAND BY SECTION02/24/00 09:31:18  
OGOMES -TQDI  
PAGE NO: 2

Sec : 05 Twp : 22S Rng : 36E Section Type : NORMAL

L 40.00 CS A00983 0004 ORYX ENERGY CO 07/27/38 A	K 40.00 CS A00983 0004 ORYX ENERGY CO 07/27/38	J 40.00 CS A00983 0004 ORYX ENERGY CO 07/27/38 A	I 40.00 CS A00983 0004 ORYX ENERGY CO 07/27/38 A
M 40.00 CS A00983 0004 ORYX ENERGY CO 07/27/38 A	N 40.00 CS A00983 0004 ORYX ENERGY CO 07/27/38 A	O 40.00 CS A00983 0004 ORYX ENERGY CO 07/27/38 A	P 40.00 CS A00983 0004 ORYX ENERGY CO 07/27/38 A

PF01 HELP  
PF07 BKWDPF02  
PF08 FWDPF03 EXIT  
PF09 PRINTPF04 GoTo  
PF10 SDIVPF05  
PF11PF06  
PF12



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

12/15/99

GOVERNOR

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88241-1980  
(505) 393-6161

OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC \_\_\_\_\_  
DHC \_\_\_\_\_  
NSL 2 \_\_\_\_\_ SD  
NSP \_\_\_\_\_  
SWD \_\_\_\_\_  
WFX \_\_\_\_\_  
PMX \_\_\_\_\_

Gentlemen:

I have examined the application for the:

Raptor Resources Inc State A A/c-2 #46-N-5-225-36e  
Operator Lease & Well No. Unit S-T-R 30-025-08800

and my recommendations are as follows:

102. needs better description of 360 acres.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Yours very truly,

*Chris Williams*

Chris Williams  
Supervisor, District 1

/ed





STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

12/15/99

GOVERNOR

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88241-1980  
(505) 393-6161

OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC		
DHC		
NSL	X	SD
NSP		
SWD		
WFX		
PMX		

Gentlemen:

I have examined the application for the:

Raptor Resources Inc State A A/C-2 #34-J-5-225-36e  
Operator Lease & Well No. Unit S-T-R 30-025-08794

and my recommendations are as follows:

---

---

---

---

Yours very truly,

Chris Williams  
Supervisor, District 1

/ed



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

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

November 19, 1999

**Raptor Resources, Inc.  
Attention: Bill R. Keathley  
901 Rio Grande  
Austin, Texas 78701**

***Re: Administrative application for acreage rededication within the  
Jalmat Gas Pool in Section 5, Township 22 South, Range 36 East,  
NMPM, Lea County, New Mexico.***

Dear Mr. Keathley:

Per our telephone conversation today, the subject application filed with the Division in Santa Fe on October 25, 1999 is hereby withdrawn and is being returned to you at this time.

Sincerely,

Michael E. Stogner  
Chief Hearing Officer/Engineer

MES/kv

cc: New Mexico Oil Conservation Division - Hobbs  
Kathy Valdes - NMOCD, Santa Fe  
William F. Carr, Legal Counsel for Raptor Resources, Inc. - Santa Fe



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

November 19, 1999

**Raptor Resources, Inc.**  
**Attention: Bill R. Keathley**  
**901 Rio Grande**  
**Austin, Texas 78701**

***Re: Administrative application for acreage rededication within the  
Jalmat Gas Pool in Section 5, Township 22 South, Range 36 East,  
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Dear Mr. Keathley:

Per our telephone conversation today, the subject application filed with the Division in Santa Fe on October 25, 1999 is hereby withdrawn and is being returned to you at this time.

Sincerely,

Michael E. Stogner  
Chief Hearing Officer/Engineer

MES/kv

cc: New Mexico Oil Conservation Division - Hobbs  
Kathy Valdes - NMOCD, Santa Fe  
William F. Carr, Legal Counsel for Raptor Resources, Inc. - Santa Fe

# RAPTOR RESOURCES, INC.

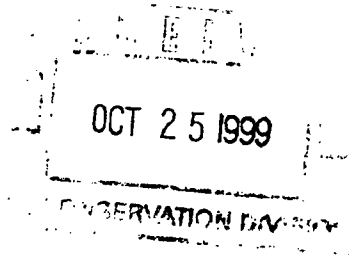
901 Rio Grande

Austin, Texas 78701

(512) 478-4427

October 18, 1999

Mr. Michael Stogner  
New Mexico Oil Conservation Division  
2040 Pacheco  
Santa Fe, New Mexico 87504



RE: Application for Unorthodox Gas Well Locations and Simultaneous Dedication

Jalmat, Tansil Yts 7 Rvrs (Pro Gas)

1980' FSL and 1980' FEL

Section 5, T 22S, R 36E (J)

Lea County, New Mexico

11-19-99

*Heathly called withdrawing this Application.*

Dear Mr. Stogner,

Raptor Resources, Inc. respectfully requests your approval of this administrative application for the subject Unorthodox Gas Well Location and Simultaneous Dedication. *BRK*

Raptor Resources, Inc. is planning to re-complete it's State "A" A/C 2 Well No. 34 in the Jalmat Tansil Yates 7-Rivers (Pro Gas Pool. We request a decrease in the size of the existing 400-acre GPU by 80 acres to exclude the SE/4 NW/4 Unit F and the SW/4 SE/4 Unit O of Section 5. It is our desire to also simultaneously dedicate the existing 280-acre Proration Unit assigned to our well no .27 to both wells. Previously approved orders are R 9073, NSP 518. Well nos. 33 and 44 are being assigned the 40 acre proration Units (SE/4 NW/4 Unit F and SW/4 SE/4 Unit O) of section 5. Due to being reclassified from gas to oil in the Jalmat Tansil Yates 7-Rivers Oil pool per the NMOCD in Hobbs. Well no 27 located in the SE/4 SE/4 Unit P, is being reclassified from oil to gas.

The offset operator plat shows that Chevron USA, CITGO, Southwest Royalties and Lion Production Inc. 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 [BRKeathly@juno.com](mailto:BRKeathly@juno.com).

Sincerely,

Bill R. Keathly  
Regulatory Agent for Raptor Resources

Cc: Oil Conservation Division - Hobbs

State "A" A/C 2 # 34  
Section 5, T-22S, R-36E, (J)  
API # 30-025-08794  
Lea County, New Mexico

**RE: Application for Unorthodox Location**

**Notification of Offset Operators:**

Chevron U S A Inc  
Attn: WOJV-Business Unit  
P.O. Box 1635  
Houston, TX 77251

CITGO  
P.O. Box 3758  
Tulsa, Okla. 74102

Lion Production Inc  
P.O. Box 2086  
Midland, TX 79702

Southwest Royalties Inc  
P.O. Box 11390  
Midland, TX 79702

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

Z 444 966 624

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Chevron USA Inc.	
Street & Number	Box 1635
Post Office, State, & ZIP Code	Houston TX 77251
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 2.20
Postmark or Date	APR 21 1995

PS Form 3800, April 1995

Z 444 966 626

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Lion Production Inc.	
Street & Number	Box 2036
Post Office, State, & ZIP Code	Midland TX 79702
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.20
Postmark or Date	APR 21 1995

PS Form 3800, April 1995

Z 444 966 625

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
CITGO	
Street & Number	Box 3158
Post Office, State, & ZIP Code	Tulsa OK 74102
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.20
Postmark or Date	APR 21 1995

PS Form 3800, April 1995

Z 444 966 627

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Southwest Royalties	
Street & Number	Box 11370
Post Office, State, & ZIP Code	Midland TX 79702
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.20
Postmark or Date	APR 21 1995

PS Form 3800, April 1995

~~Southwest~~ Southwest Royalties

# Liam Production Inc

[illegible]

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 Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

Operator Name and Address: Raptor Resources, Inc. 901 Rio Grande Austin, Tx. 78701		OGRID No. 162791
		API Number 30 - 025-08794
Property Code 24671	Property Name State 'A' A/C 2	Well No. 34

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	5	22S	36E		1980	South	1980	East	Lea

s Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Proposed Pool 1 Jalmat, Tnsl, Yts, 7-Rivers (Pro Gas) (79240)					Proposed Pool 2				

" Work Type Code	" Well Type Code	" Cable/Rotary	" Lease type Code	14 Ground Level Elevation
P 16 Multiple	G 17 Proposed Depth	R 18 Formation Tnsl/Yates/7 Rvrs	S 19 Contractor	20 Spud Date

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

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 any. Use additional sheets if necessary.

Current Status: Producing in the Eunice 7 Rvrs Queen, South

PROPOSED OPERATIONS

- 1 Set CIBP above the Eunice 7 Rvrs Queen perfs
2. Perf the Tnsl @ 3030-3153, Yates @ 3153-3370, 7 Rvrs @ 3370-3740
3. Acidize
4. Frac
5. POP

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Bill R. Keathly</i>		OIL CONSERVATION DIVISION	
Printed name: Bill R. Keathly		Approved by:	
Title: R regulatory Agent for Raptor		Title:	
Date: 10-16-99		Approval Date:	Expiration Date:
Phone: (915) 697-1609		Conditions of Approval: Attached	



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-102

Revised February 21, 1994

instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <u>30-025-08774</u>	2 Pool Code <u>79240</u>	3 Pool Name <u>Jalmat, Tnsi, Yts, 7-Rivers (Pro Gas)</u>
4 Property Code <u>24671</u>	5 Property Name <u>State 'A' A/C 2</u>	6 Well Number <u>34</u>
7 OGRID No. <u>162791</u>	8 Operator Name <u>Raptor Resources, Inc,</u>	9 Elevation

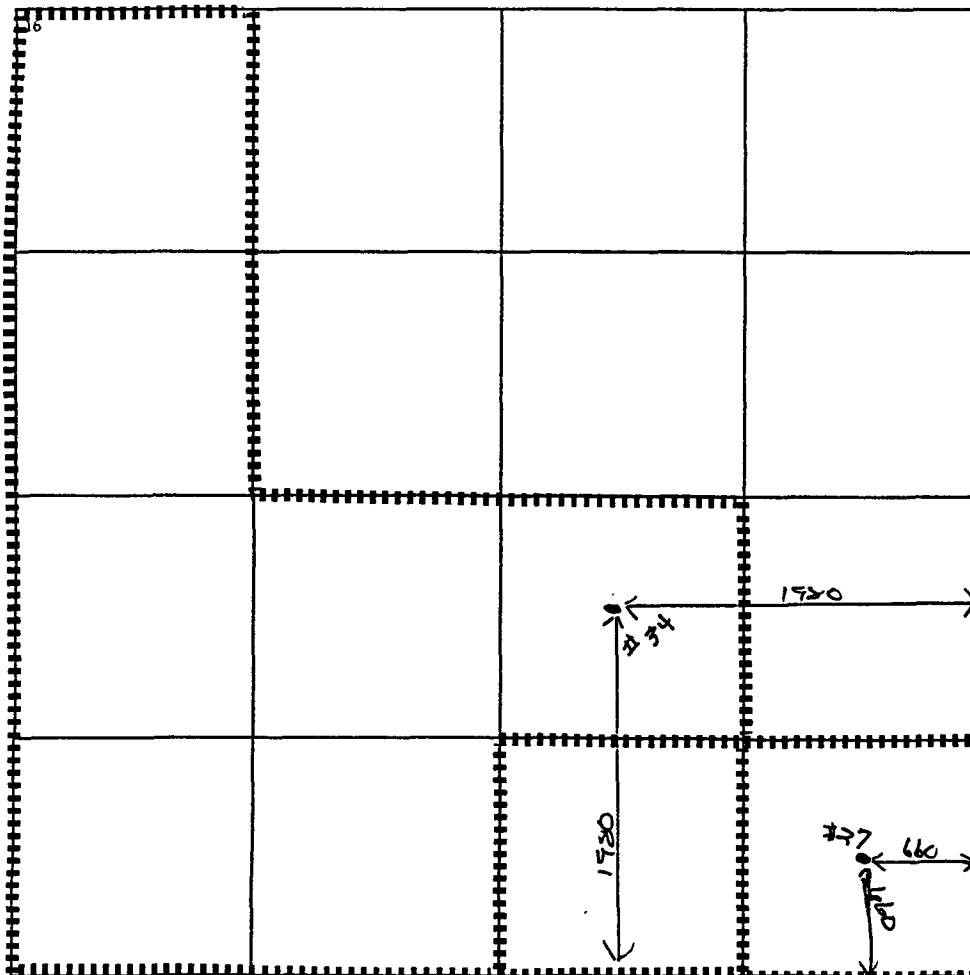
10 Surface Location

UL or lot no. <u>5</u>	Section <u>5</u>	Township <u>22S</u>	Range <u>36E</u>	Lot Idn	Feet from the <u>1980</u>	North/South line <u>South</u>	Feet from the <u>1980</u>	East/West line <u>East</u>	County <u>Lea</u>
---------------------------	---------------------	------------------------	---------------------	---------	------------------------------	----------------------------------	------------------------------	-------------------------------	----------------------

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres <u>320</u>	13 Joint or Infill	14 Consolidation Code	15 Order No. <u>NSP-518</u>						

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



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Bill R. Keathly  
Signature  
Bill R. Keathly

Printed Name  
Regulatory Agent - Raptor

Title  
10-16-99

Date

18 SURVEYOR CERTIFICATION

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 supervision, and that the same is true and correct to the best of my belief.

Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number

NSL (SD)

1/3/00

# RAPTOR RESOURCES, INC.

901 Rio Grande

Austin, Texas 78701

(512) 478-4427

December 8, 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)  
1980' FSL and 1980' FEL  
Section 5, T 22S, R 36E (J)  
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.

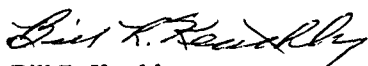
Raptor Resources, Inc. is planning to re-complete it's State "A" A/C 2 Well No. 34 in the Jalmat Tansil Yates 7-Rivers (Pro Gas Pool). We request a decrease in the size of the existing 440-acre GPU by 80 acres to exclude the SE/4 NW/4 Unit F and the SW/4 SE/4 Unit O of Section 5. It is our desire to also simultaneously dedicate the existing 360-acre Proration Unit assigned to our well no.47, 27 & 46 to all four wells. Previously approved orders are R 9073, NSP 518. Well nos. 33 and 44 are being assigned the 40 acre proration Units (SE/4 NW/4 Unit F and SW/4 SE/4 Unit O) of section 5. Due to being reclassified from gas to oil in the Jalmat Tansil Yates 7-Rivers Oil pool per the NMOCD in Hobbs. Well no 27 located in the SE/4 SE/4 Unit P, is being reclassified from oil to gas in the Jalmat Tansil Yates 7-Rivers (Pro Gas Pool).

The offset operator plat shows that Chevron USA, Conoco Inc, Southwest Royalties and Permian Resources Inc. 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 [BRKeathly@juno.com](mailto:BRKeathly@juno.com).

Sincerely,



Bill R. Keathly  
Regulatory Agent for Raptor Resources

Cc: Oil Conservation Division - Hobbs

State "A" A/C 2 # 34  
Section 5, T-22S, R-36E, (J)  
API # 30-025-08794  
Lea County, New Mexico

**RE: Application for Unorthodox Location**

**Notification of Offset Operators:**

Chevron U S A Inc  
Attn: WOJV-Business Unit  
P.O. Box 1635  
Houston, TX 77251

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

Permian Resources Inc  
P.O. Box 590  
Midland, TX 79702

Southwest Royalties Inc  
P.O. Box 11390  
Midland, TX 79702

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

7 444 966 666

US Postal Service  
**Receipt for Certified Mail**  
No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

PS Form 3800, April 1995

State A R 2 #34

Sent to	Chevron USA
Street & Number	Box 1435
Post Office, State, & ZIP Code	Houston, TX 77251
Postage	\$ 55
Certified Fee	140
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	123
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 320
Postmark or Date	

7 444 966 666

US Postal Service  
**Receipt for Certified Mail**  
No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

PS Form 3800, April 1995

State A R 2 #34

Sent to	Southwest Royalties Inc
Street & Number	Box 11570
Post Office, State, & ZIP Code	Midland, TX 79702
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 320
Postmark or Date	

7 444 966 666

US Postal Service  
**Receipt for Certified Mail**  
No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

PS Form 3800, April 1995

State A R 2 #34

Sent to	Permian Resources Inc
Street & Number	Box 590
Post Office, State, & ZIP Code	Midland, TX 79702
Postage	
Certified Fee	
Special Delivery Fee	8
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 320
Postmark or Date	

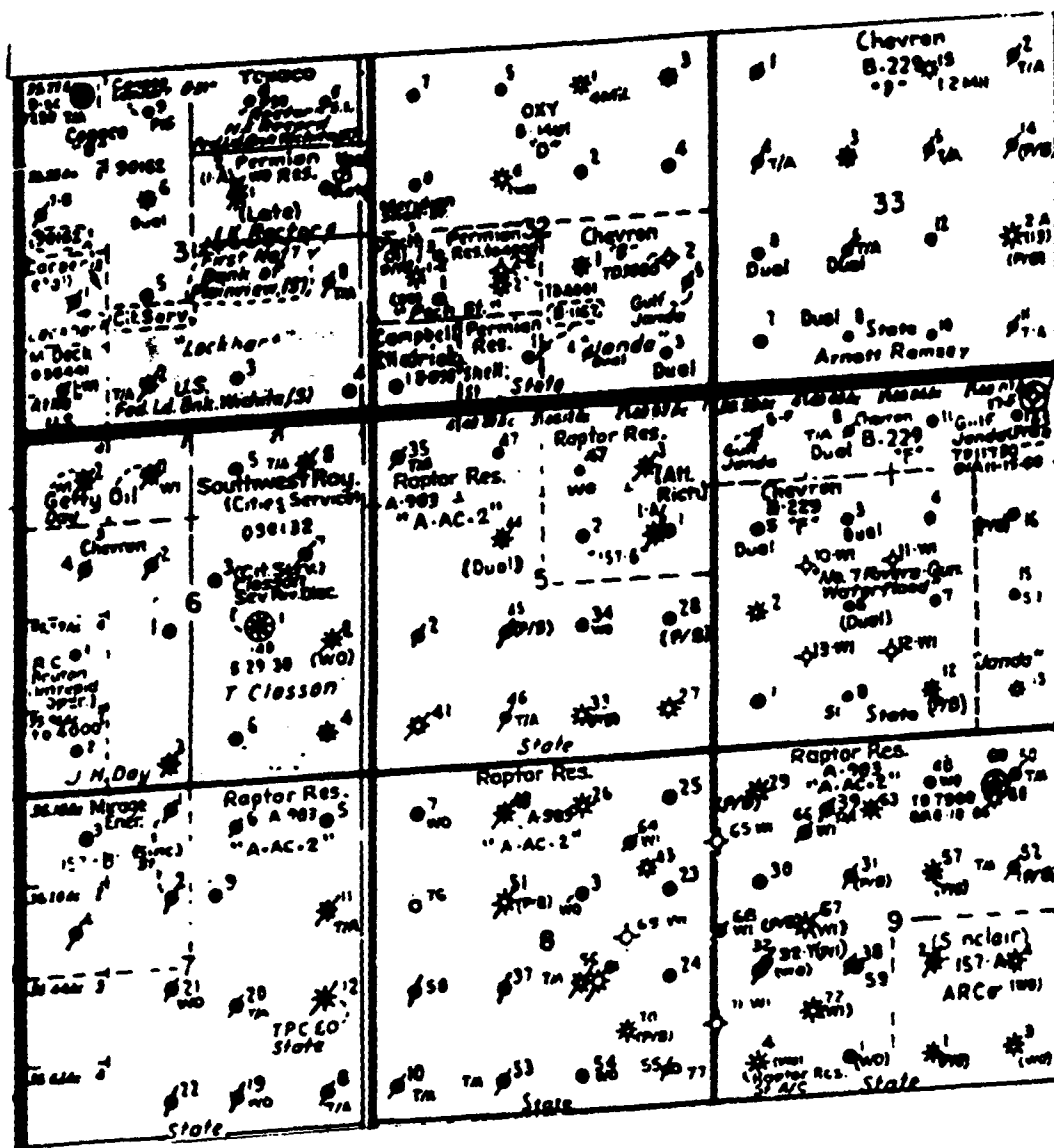
7 444 966 667

US Postal Service  
**Receipt for Certified Mail**  
No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

PS Form 3800, April 1995

State A R 2 #34

Sent to	Conco Inc
Street & Number	10 Desha Dr, Ste 200
Post Office, State, & ZIP Code	Midland, TX 79707
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 320
Postmark or Date	



Chevron  
 Conoco  
 Southwest Royalties  
 Permian Resources

Box Red  
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**NOTE**

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99) [illegible]  
100) [illegible]

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 Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

Operator Name and Address: <b>Raptor Resources, Inc. 901 Rio Grande Austin, Tx. 78701</b>		OGRID No. <b>162791</b>
		API Number 30 - 0 <b>25-08794</b>
Property Code <b>24671</b>	Property Name <b>State 'A' A/C 2</b>	Well No. <b>34</b>

' Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	5	22S	36E		1980	South	1980	East	Lea

s Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Proposed Pool 1					Proposed Pool 2				
Jalmat, TnsI, Yts, 7-Rivers (Pro Gas) (79240)									

Work Type Code <b>P</b> 16 Multiple	Well Type Code <b>G</b> 17 Proposed Depth	Cable/Rotary <b>R</b> 18 Formation TnsI/Yates/7 Rvrs	Lease type Code <b>S</b> 19 Contractor	Ground Level Elevation  20 Spud Date
---	---	---	--	--

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

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 any. Use additional sheets if necessary.

Current Status: Producing in the Eunice 7 Rvrs Queen, South

PROPOSED OPERATIONS

- 1 Set CIBP above the Eunice: 7 Rvrs-Queen
2. Perf the Tansl @ 3030-3153; Yates @ 3153-3370; 7 Rvrs @ 3370-3740'.
3. Acidize
4. Frac
5. POP

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Bill R. Keathly</i>		OIL CONSERVATION DIVISION	
Printed name: <b>Bill R. Keathly</b>		Approved by:	
Title: <b>R egulatory Agent for Raptor</b>		Title:	
Date: <b>12-8-99</b>		Approval Date:	Expiration Date:
Phone: <b>(915) 697-1609</b>		Conditions of Approval: Attached	

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Revised February 21, 1994

District II  
PO Drawer DD, Artesia, NM 88211-0719

instructions on back

District III  
1000 Rio Brazos Rd. Aztec, NM 87410

# OIL CONSERVATION DIVISION

Submit to Appropriate District Office

PO Box 2088

State Lease - 4 Copies

Santa Fe, NM 87504-2088

Fee Lease - 3 Copies

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-08794		2 Pool Code 79240		3 Pool Name Jalmat, TnsL, Yts, 7-Rivers (Pro Gas)	
4 Property Code 24671		5 Property Name State 'A' A/C 2			6 Well Number 34
7 OGRID No. 162791		8 Operator Name Raptor Resources, Inc.			9 Elevation

### 10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	5	22S	36E		1980	South	1980	East	Lea

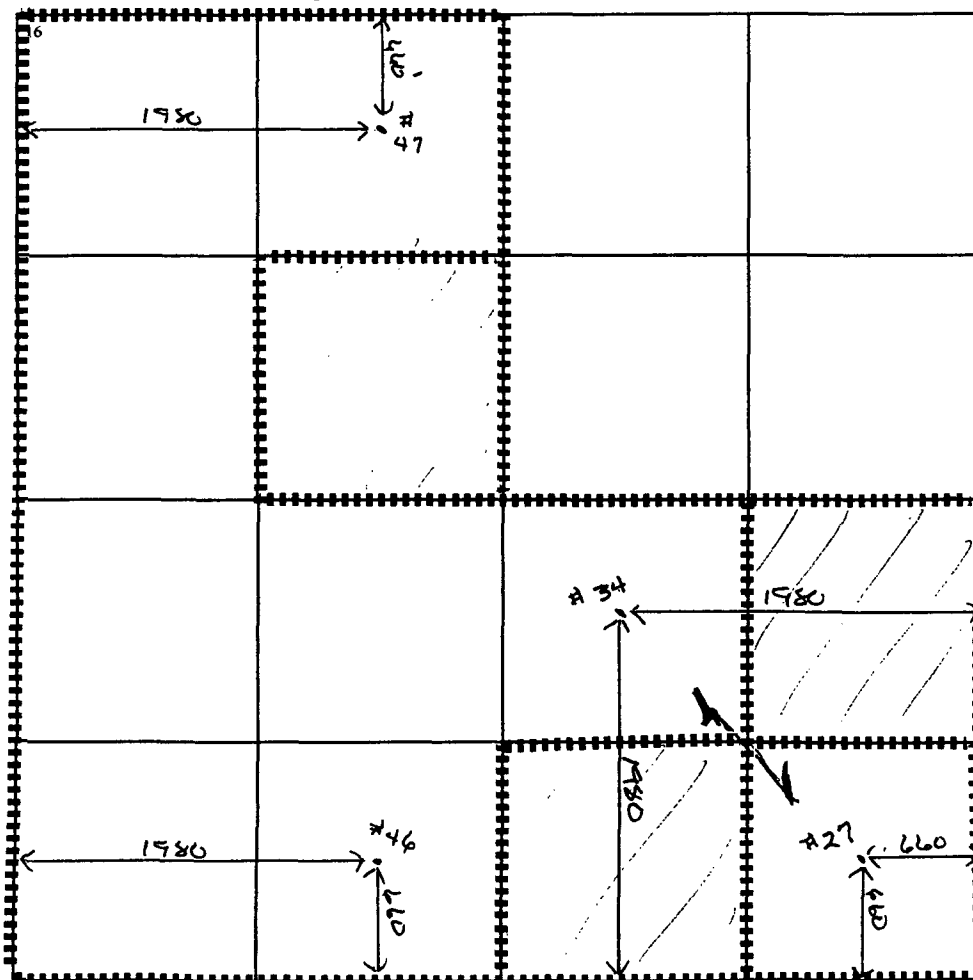
### 11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 360	13 Joint or Infil	14 Consolidation Code	15 Order No.
---------------------------	-------------------	-----------------------	--------------

Applied For

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



### 17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

*Bill R. Keathly*  
Signature

Bill R. Keathly

Printed Name

Regulatory Agent - Raptor

Title

12-8-99

Date

### 18 SURVEYOR CERTIFICATION

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 supervision, and that the same is true and correct to the best of my belief.

Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number

# RAPTOR RESOURCES, INC.

901 Rio Grande

Austin, Texas 78701

(512) 478-4427

December 8, 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)  
660' FSL and 1980' FWL  
Section 5, T 22S, R 36E (N)  
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.

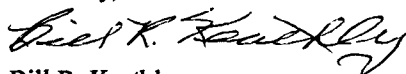
Raptor Resources, Inc. is planning to re-complete it's State "A" A/C 2 Well No. 46 in the Jalmat Tansil Yates 7-Rivers (Pro Gas Pool). We request a decrease in the size of the existing 440-acre GPU by 80 acres to exclude the SE/4 NW/4 Unit F and the SW/4 SE/4 Unit O of Section 5. It is our desire to also simultaneously dedicate the existing 360-acre Proration Unit assigned to our well no. 47 & 27 to all three wells. Previously approved orders are R 9073, NSP 518. Well nos. 33 and 44 are being assigned the 40 acre proration Units (SE/4 NW/4 Unit F and SW/4 SE/4 Unit O) of section 5. Due to being reclassified from gas to oil in the Jalmat Tansil Yates 7-Rivers Oil pool per the NMOCD in Hobbs. Well no 27 located in the SE/4 SE/4 Unit P, is being reclassified from oil to gas in the Jalmat Tansil Yates 7-Rivers (Pro Gas Pool).

The offset operator plat shows that Chevron USA, Conoco Inc, Southwest Royalties and Permian Resources Inc. 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 [BRKeathly@juno.com](mailto:BRKeathly@juno.com).

Sincerely,



Bill R. Keathly  
Regulatory Agent for Raptor Resources

Cc: Oil Conservation Division - Hobbs



State "A" A/C 2 # 46  
Section 5, T-22S, R-36E, (N)  
API # 30-025-08800  
Lea County, New Mexico

**RE: Application for Unorthodox Location**

**Notification of Offset Operators:**

Chevron U S A Inc  
Attn: WOJV-Business Unit  
P.O. Box 1635  
Houston, TX 77251

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

Permian Resources Inc  
P.O. Box 590  
Midland, TX 79702

Southwest Royalties Inc  
P.O. Box 11390  
Midland, TX 79702

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

E 9 9 9 9 9 6 6 6 6

US Postal Service  
**Receipt for Certified Mail**  
No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

PS Form 3800, April 1995  
State 2 TX # 46

Sent to	
Cresco Inc	
Street & Number	
10 Dista Dr. Ste. 200	
Post Office, State, & ZIP Code	
Midland TX 79705	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.20
Postmark or Date	

4 9 9 9 9 6 6 6 6

US Postal Service  
**Receipt for Certified Mail**  
No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

PS Form 3800, April 1995  
State 8 AK # 46

Sent to	
Permian Resources	
Street & Number	
Box 340	
Post Office, State, & ZIP Code	
Midland TX 79702	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.20
Postmark or Date	

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US Postal Service  
**Receipt for Certified Mail**  
No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

PS Form 3800, April 1995  
State 8 TX # 42

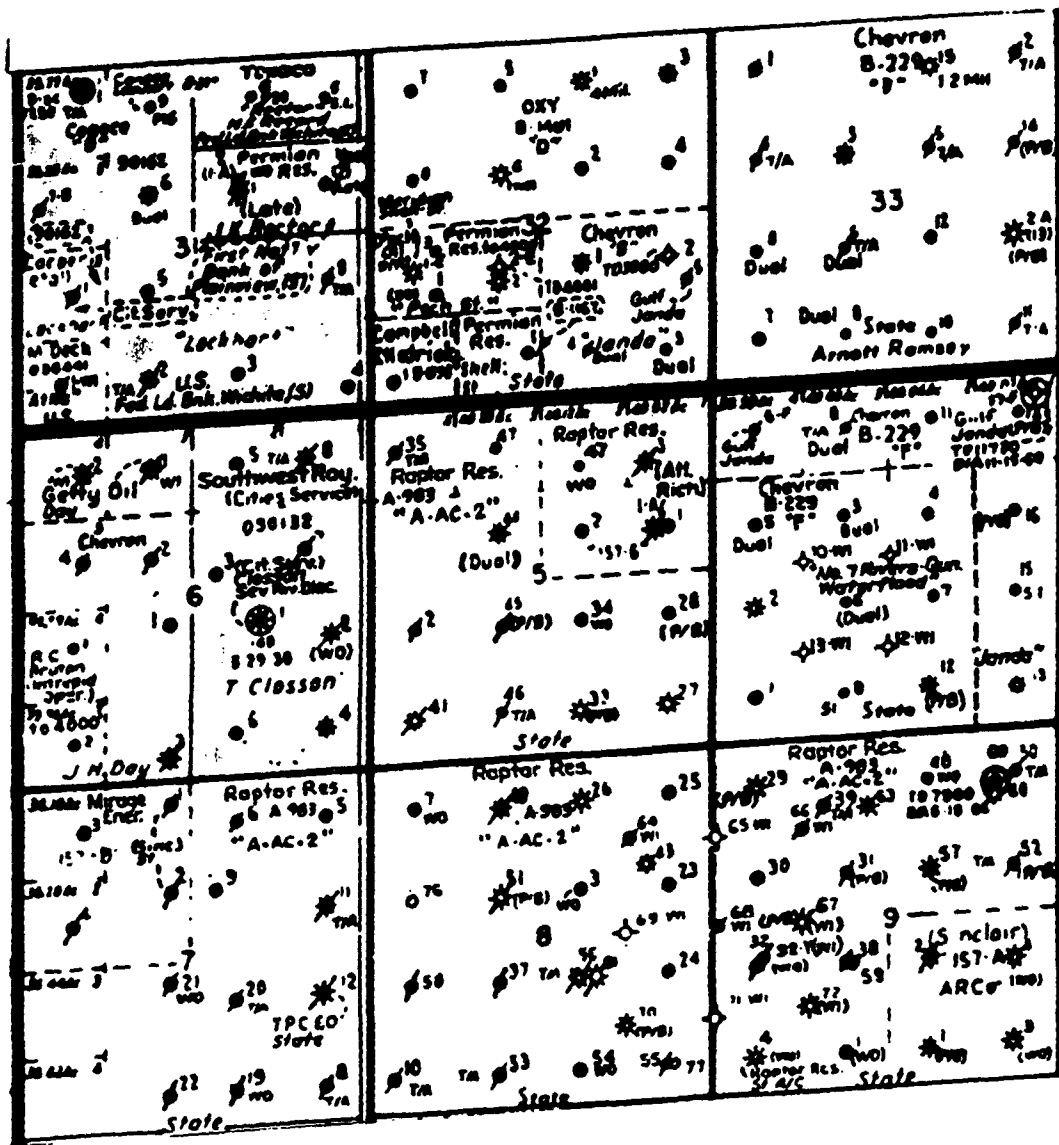
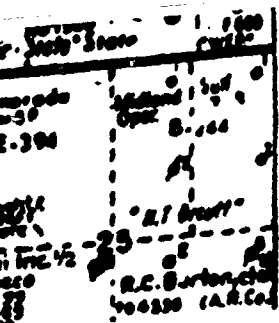
Sent to	
Chevron USA	
Street & Number	
Box 1635	
Post Office, State, & ZIP Code	
Houston TX 77251	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.20
Postmark or Date	

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US Postal Service  
**Receipt for Certified Mail**  
No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

PS Form 3800, April 1995  
State 8 AK # 40

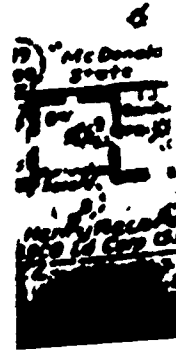
Sent to	
Northwest Realty Inc	
Street & Number	
Box 11350	
Post Office, State, & ZIP Code	
Midland TX 79702	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.20
Postmark or Date	



Chevron  
 Conoco  
 Southwest Royalties  
 Permian Resources

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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 Office  
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Fee Lease - 5 Copies

☐ AMENDED REPORT

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

Operator Name and Address. Raptor Resources, Inc. 901 Rio Grande Austin, Tx. 78701		OGRID No. 162791
		API Number 30 - 025-08800
Property Code 24671	Property Name State 'A' A/C 2	Well No. 46

' Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	5	22S	36E		660	South	1980	West	Lea

s Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Proposed Pool 1 Jalmat, TnsI, Yts, 7-Rivers (Pro Gas) (79240)					Proposed Pool 2				

Work Type Code P 16 Multiple	Well Type Code G 17 Proposed Depth	Cable/Rotary R 18 Formation TnsI/Yates	Lease type Code S 19 Contractor	14 Ground Level Elevation 20 Spud Date
------------------------------------	--	---	---------------------------------------	---

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

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 any. Use additional sheets if necessary.

Current Status: Producing in the Eunice 7 Rvrs Queen, South

PROPOSED OPERATIONS

- 1 Set CIBP set @ 3500' +/-
2. Perf the Yates @ 3100-3370.
3. Acidize
4. Frac
5. POP

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Bill R. Keathly</i>		OIL CONSERVATION DIVISION	
Printed name: Bill R. Keathly		Approved by:	
Title: R regulatory Agent for Raptor		Title:	
Date: 12-8-99		Approval Date:	Expiration Date:
Phone: (915) 697-1609		Conditions of Approval: Attached	

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Revised February 21, 1994  
instructions on back

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

**OIL CONSERVATION DIVISION**  
PO Box 2088  
Santa Fe, NM 87504-2088

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-025-08800		2 Pool Code 79240	3 Pool Name Jalmat, Tnsl, Yts, 7-Rivers (Pro Gas)
4 Property Code 24671	5 Property Name State 'A' A/C 2		6 Well Number 46
7 OGRID No. 162791	8 Operator Name Raptor Resources, Inc,		9 Elevation

**10 Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	5	22S	36E		660	South	1980	West	Lea

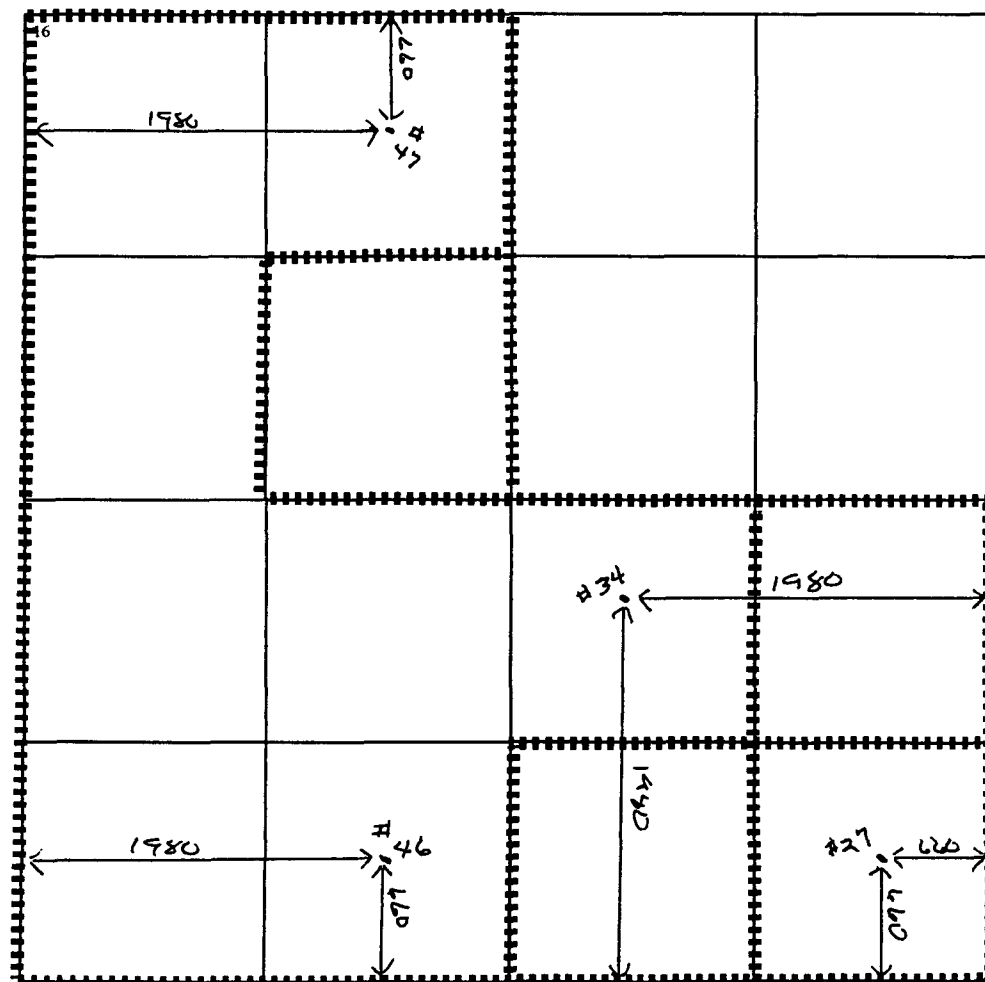
**11 Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 360	13 Joint or Infill	14 Consolidation Code	15 Order No.
---------------------------	--------------------	-----------------------	--------------

Applied For

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



**17 OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

*Bill R. Keathly*  
Signature

Bill R. Keathly

Printed Name

Regulatory Agent - Raptor

Title

12-8-99

Date

**18 SURVEYOR CERTIFICATION**

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 supervision, and that the same is true and correct to the best of my belief.

Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number

# RAPTOR RESOURCES, INC.

901 Rio Grande

Austin, Texas 78701

(512) 478-4427

December 12, 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)  
1980' FSL and 660' FWL  
Section 5, 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.

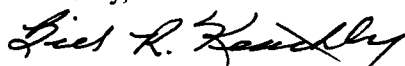
Raptor Resources, Inc. is planning to re-complete it's State "A" A/C 2 Well No. 2 in the Jalmat Tansil Yates 7-Rivers (Pro Gas Pool). We request a decrease in the size of the existing 440-acre GPU by 80 acres to exclude the SE/4 NW/4 Unit F and the SW/4 SE/4 Unit O of Section 5. It is our desire to also simultaneously dedicate the existing 360-acre Proration Unit assigned to our well no's 47, 27, 34 & 46 to all five wells. Previously approved orders are R 9073, NSP 518. Well nos. 33 and 44 are being assigned the 40 acre proration Units (SE/4 NW/4 Unit F and SW/4 SE/4 Unit O) of section 5. Due to being reclassified from gas to oil in the Jalmat Tansil Yates 7-Rivers Oil pool per the NMOC in Hobbs. Well no 27 located in the SE/4 SE/4 Unit P, is being reclassified from oil to gas in the Jalmat Tansil Yates 7-Rivers (Pro Gas Pool).

The offset operator plat shows that Chevron USA, Conoco Inc, Southwest Royalties and Permian Resources Inc. 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 [BRKeathly@juno.com](mailto:BRKeathly@juno.com).

Sincerely,



Bill R. Keathly  
Regulatory Agent for Raptor Resources

Cc: Oil Conservation Division - Hobbs

State "A" A/C 2 # 2  
Section 5, T-22S, R-36E, (L)  
API # 30-025-08791  
Lea County, New Mexico

**RE: Application for Unorthodox Location**

**Notification of Offset Operators:**

Chevron U S A Inc  
Attn: WOJV-Business Unit  
P.O. Box 1635  
Houston, TX 77251

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

Permian Resources Inc  
P.O. Box 590  
Midland, TX 79702

Southwest Royalties Inc  
P.O. Box 11390  
Midland, TX 79702

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

Z 444 966 674

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

PS Form 3800, April 1995

State A A/CZ #2

Sent to		Southwest Royalties
Street & Number		Box 11370
Post Office, State, & ZIP Code		Midland, TX 79702
Postage	\$	
Certified Fee		
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		
Return Receipt Showing to Whom, Date, & Addressee's Address		
TOTAL Postage & Fees	\$	320
Postmark or Date		

Stamp: MIDLAND, TX VILLAGE STA. DEC 13 1999 USPS

Z 444 966 671

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

State A A/CZ #2

Sent to		Permian Resources
Street & Number		Box 1635
Post Office, State, & ZIP Code		Houston, TX 77251
Postage	\$	
Certified Fee		
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		
Return Receipt Showing to Whom, Date, & Addressee's Address		
TOTAL Postage & Fees	\$	
Postmark or Date		

Stamp: MIDLAND, TX VILLAGE STA. DEC 13 1999 USPS

PS Form 3800, April 1995

Z 444 966 673

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

PS Form 3800, April 1995

State A A/CZ #2

Sent to		Permian Resources Inc.
Street & Number		Box 590
Post Office, State, & ZIP Code		Midland, TX 79702
Postage	\$	
Certified Fee		
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		
Return Receipt Showing to Whom, Date, & Addressee's Address		
TOTAL Postage & Fees	\$	320
Postmark or Date		

Stamp: MIDLAND, TX VILLAGE STA. DEC 13 1999 USPS

Z 444 966 672

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

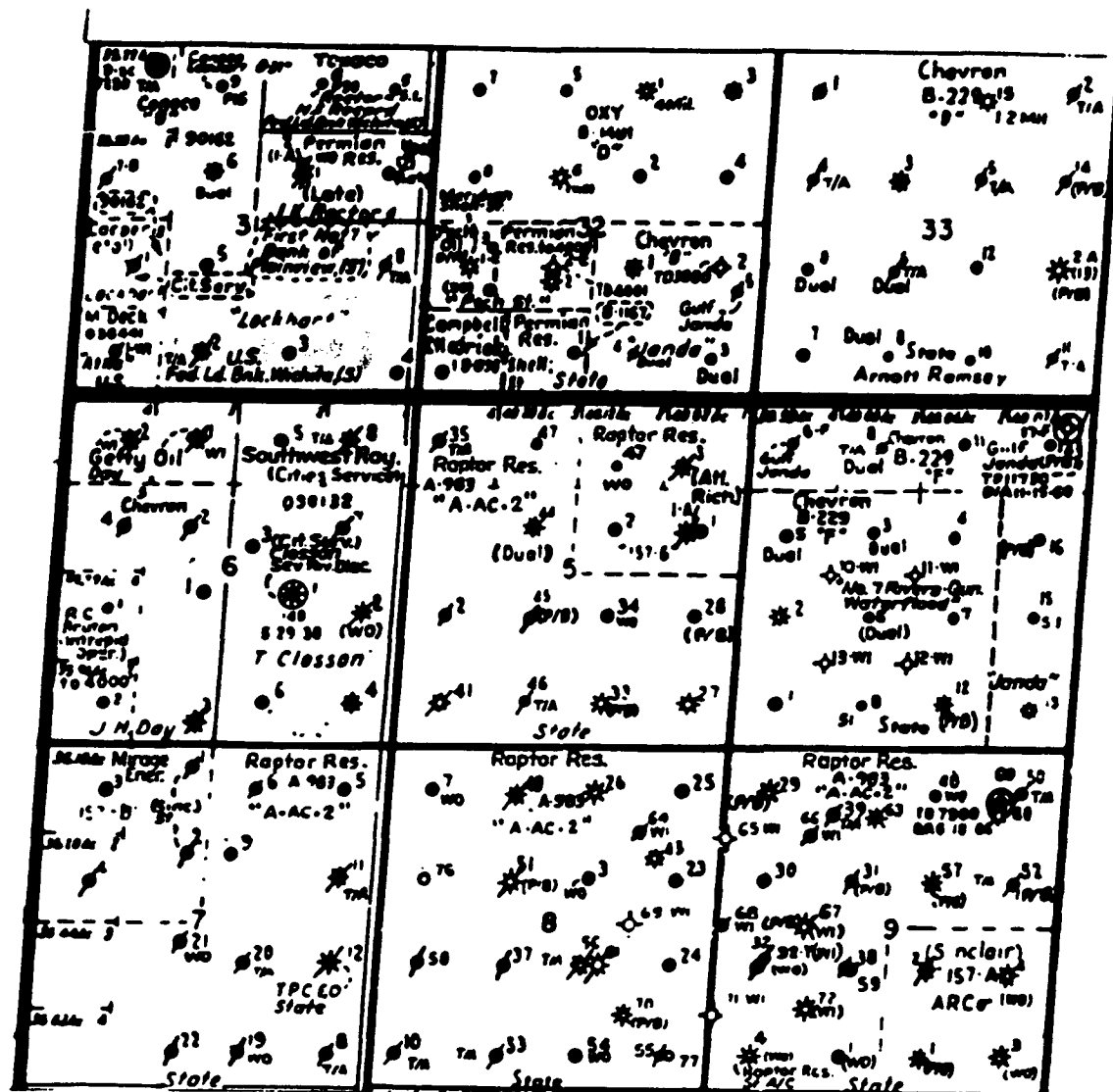
PS Form 3800, April 1995

State A A/CZ #2

Sent to		Conoco Inc.
Street & Number		10 Dosta Dr. Ste 100 W
Post Office, State, & ZIP Code		Midland, TX 79705
Postage	\$	
Certified Fee		
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered		
Return Receipt Showing to Whom, Date, & Addressee's Address		
TOTAL Postage & Fees	\$	320
Postmark or Date		

Stamp: MIDLAND, TX VILLAGE STA. DEC 13 1999 USPS





Chevron USA

Conoco Inc

## Permian Resources

## Southwest Royalties

Box Red  
3-11221  
Tr. I

**5. Note**

McDonald  
State

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 Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

Operator Name and Address: <b>Raptor Resources, Inc. 901 Rio Grande Austin, Tx. 78701</b>		OGRID No. <b>162791</b>
		API Number 30 - 0 <b>25-08791</b>
Property Code <b>24671</b>	Property Name <b>State 'A' A/C 2</b>	Well No. <b>2</b>

' Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	5	22S	36E		1980	South	660	West	Lea

s Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Proposed Pool 1					Proposed Pool 2				
Jalmat, Tnsl, Yts, 7-Rivers (Pro Gas) (79240)									

" Work Type Code	" Well Type Code	" Cable/Rotary	" Lease type Code	14 Ground Level Elevation
P	G	R	S	
16 Multiple	17 Proposed Depth	18 Formation	19 Contractor	20 Spud Date
Yates/7 Rvrs				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

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 any. Use additional sheets if necessary.

Current Status: Shut-in in the Eunice; Seven Rivers-Queen, South

PROPOSED OPERATIONS

- 1 Set CIBP above the Eunice; Seven Rivers-Queen perms
2. Perf the Yates @ 3127 - 3320, & the 7 Rvrs @ 3320 - 3680
3. Acidize
4. Frac
5. POP

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: <i>Bill R. Keathly</i>		Approved by:	
Printed name: <b>Bill R. Keathly</b>		Title:	
Title: <b>R egulatory Agent for Raptor</b>		Approval Date:	Expiration Date:
Date: <b>12-10-99</b>	Phone: <b>(915) 697-1609</b>	Conditions of Approval: Attached	

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Revised February 21, 1994

instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Free Lease - 3 Copies

☐ AMENDED REPORT

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

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-08791	2 Pool Code 79240	3 Pool Name Jalmat, Tnsl, Yts, 7-Rivers (Pro Gas)
4 Property Code 24671	5 Property Name State 'A' A/C 2	6 Well Number 2
7 OGRID No. 162791	8 Operator Name Raptor Resources, Inc,	9 Elevation

## 10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	5	22S	36E		1980	South	660	West	Lea

## 11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
360			Applied For

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

- hatched area = R-9073  
# No. 1

current 400.50-acre  
unit approved  
by NSP-1636(50)(4)

### 17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

*Bill R. Keathly*

Signature

Bill R. Keathly

Printed Name

Regulatory Agent - Raptor

Title

12-10-97

Date

### 18 SURVEYOR CERTIFICATION

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 supervision, and that the same is true and correct to the best of my belief.

Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number

**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. 12679  
ORDER NO. R-11643**

**APPLICATION OF RAPTOR RESOURCES, INC. FOR TWO UNORTHODOX  
INFILL GAS WELL LOCATIONS AND SIMULTANEOUS DEDICATION, LEA  
COUNTY, NEW MEXICO.**

**ORDER OF THE DIVISION**

**BY THE DIVISION:**

This case came on for hearing at 8:15 a.m. on June 14, 2001, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 27th day of August, 2001, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

**FINDS THAT:**

(1) Due public notice has been given, and the Division has jurisdiction of this case and its subject matter.

(2) Division Cases No. 12678 and 12679 were consolidated at the hearing for the purpose of testimony.

(3) The applicant, Raptor Resources, Inc. ("Raptor"), seeks an exception to the well location and well density provisions currently governing the Jalmat (Tansill-Yates-Seven Rivers) Gas Pool for the following-described wells in Section 5, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico:

<u>Well Name &amp; Number</u>	<u>API Number</u>	<u>Well Location</u>
State "A" A/C-2 No. 78	30-025-34910	1980' FNL & 660' FWL (Unit E)
State "A" A/C-2 No. 81	N/A	2080' FSL & 1980' FWL (Unit K)

(4) These wells are to be dedicated to an existing non-standard 440.50-acre Jalmat Gas Pool gas proration unit comprising Lots 3 and 4, and the S/2 NW/4, SW/4, W/2 SE/4 and SE/4 SE/4 of Section 5.

(5) The applicant also seeks authority to simultaneously dedicate the subject non-standard gas proration unit to its proposed State "A" A/C-2 Wells No. 78 and 81, and to the following-described existing wells:

<u>Well Name &amp; Number</u>	<u>API Number</u>	<u>Well Location</u>
State "A" A/C-2 No. 2	30-025-08791	1980' FSL & 660' FWL (Unit L)
State "A" A/C-2 No. 27	30-025-08789	660' FSL & 660' FEL (Unit P)
State "A" A/C-2 No. 33	30-025-08793	660' FSL & 1980' FEL (Unit O)
State "A" A/C-2 No. 34	30-025-08794	1980' FSL & 1980' FEL (Unit J)
State "A" A/C-2 No. 44	30-025-08797	1980' FNL & 1980' FWL (Unit F)
State "A" A/C-2 No. 46	30-025-08800	660' FSL & 1980' FWL (Unit N)
State "A" A/C-2 No. 47	30-025-08798	660' FNL & 1980' FWL (Unit C)

(6) The subject non-standard gas proration unit was initially established by Division Order No. R-9073 dated December 14, 1989. This order further authorized the simultaneous dedication to this unit of the State "A" A/C-2 Wells No. 27, 41 and 44, all located at unorthodox gas well locations.

(7) By Division Order No. NSP-1636(SD)(L) dated September 19, 1991, a 400.50-acre non-standard gas proration unit in the Jalmat Gas Pool was established comprising Lots 3 and 4, and the S/2 NW/4, SW/4 and W/2 SE/4 of Section 5. This order further authorized the simultaneous dedication to this unit of the State "A" A/C-2 Wells No. 33, 41, 44 and 47, all located at unorthodox gas well locations.

(8) By Division Order No. NSP-1636-A(L)(SD) dated July 18, 2000, a 440.50-acre non-standard gas proration unit in the Jalmat Gas Pool was established comprising Lots 3 and 4, and the S/2 NW/4, SW/4, W/2 SE/4 and SE/4 SE/4 of Section 5. This order further authorized the simultaneous dedication to this unit of the State "A" A/C-2 Wells No. 2, 33, 34, 41, 44, 46 and 47, all located at unorthodox gas well locations.

(9) Division records demonstrate that the State "A" A/C-2 Well No. 41 was plugged and abandoned on December 28, 1994.

(10) The rules and procedures currently governing the Jalmat Gas Pool include, but are not necessarily limited to:

- (a) the "*Special Rules and Regulations for the Jalmat Gas Pool*," as promulgated by Division Order No. R-8170, as amended;
- (b) Division Rule 605.B.;
- (c) 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;
- (d) Rule 1207.A.(2); and
- (e) the amended Stipulated Declaratory Judgement of the First Judicial District Court in Santa Fe, New Mexico issued on July 11, 2001 in Hartman vs Oil Conservation Division, Cause No. D-0101-CV-9902927 ("Amended Stipulated Declaratory Judgement").

(11) Division records demonstrate that Raptor originally filed an administrative application dated January 30, 2001, to recomplete its State "A" A/C-2 Well No. 78 to the Jalmat Gas Pool at an unorthodox gas well location, and to simultaneously dedicate this well to the subject 440.50-acre non-standard gas proration unit.

(12) No action was taken by the Division on this administrative application pursuant to certain provisions contained within the original Stipulated Declaratory Judgement of the First Judicial District Court in Santa Fe, New Mexico issued on January 4, 2001 in Hartman vs Oil Conservation Division, Cause No. D-0101-CV-9902927 ("Stipulated Declaratory Judgement").

(13) The Amended Stipulated Declaratory Judgement provided greater flexibility to the Division to approve these types of applications, and as a result, Raptor's original administrative application was approved by Division Order No. NSL-4615(SD) dated July 27, 2001.

(14) That portion of Raptor's application to recomplete its State "A" A/C-2 Well No. 78 to the Jalmat Gas Pool at an unorthodox gas well location, and to simultaneously dedicate this well to the subject 440.50-acre non-standard gas proration unit should be dismissed.

(15) The evidence presented in this case demonstrates that:

(a) there is substantial geologic discontinuity in the Yates and Seven Rivers formations within the Jalmat Gas Pool underlying Section 5 in which Raptor proposes to drill its State "A" A/C-2 Well No. 81;

(b) modern well logs and well completion techniques provide Raptor the opportunity to identify, perforate, stimulate and produce sands in the Yates and Seven Rivers formations that may not have been produced in older offset wells;

(c) with the exception of certain well recompletions Raptor has accomplished recently, most of the wells offsetting the proposed State "A" A/C-2 Well No. 81 are producing at marginal rates from the Jalmat Gas Pool;

(d) by drilling the State "A" A/C-2 Well No. 81, Raptor expects to recover at least 0.5 BCF of gas from the subject proration unit that may otherwise not be recovered by the existing wells, thereby preventing waste;

(e) the State "A" A/C-2 Well No. 81 can be economically drilled to recover the incremental gas reserves underlying the subject gas proration unit; and

(f) the proposed unorthodox gas well location for the State "A" A/C-2 Well No. 81 is necessary due to geologic and engineering considerations, and will provide Raptor the best opportunity to recover incremental gas reserves from the Jalmat Gas Pool underlying the subject gas proration unit.

(16) All Jalmat Gas Pool operators within the eight-section area surrounding Section 5 were notified of Raptor's application. No offset operator or interest owner appeared at the hearing in opposition to the application.

(17) Approval of the proposed unorthodox gas well location and simultaneous dedication will result in the recovery of hydrocarbons that will otherwise not be

recovered, thereby preventing waste, and will otherwise be in the best interest of conservation and protection of correlative rights.

**IT IS THEREFORE ORDERED THAT:**

(1) The applicant, Raptor Resources, Inc., is hereby authorized to drill its State "A" A/C-2 Well No. 81 at an unorthodox gas well location for the Jalmat Gas Pool 2080 feet from the South line and 1980 feet from the West line (Unit K) of Section 5, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico.

(2) A 440.50-acre non-standard gas proration unit comprising Lots 3 and 4, and the S/2 NW/4, SW/4, W/2 SE/4 and SE/4 SE/4 of Section 5, shall be simultaneously dedicated to the State "A" A/C-2 Well No. 81 and to the following-described existing Jalmat Gas Pool wells:

<u>Well Name &amp; Number</u>	<u>API Number</u>	<u>Well Location</u>
State "A" A/C-2 No. 2	30-025-08791	1980' FSL & 660' FWL (Unit L)
State "A" A/C-2 No. 27	30-025-08789	660' FSL & 660' FEL (Unit P)
State "A" A/C-2 No. 33	30-025-08793	660' FSL & 1980' FEL (Unit O)
State "A" A/C-2 No. 34	30-025-08794	1980' FSL & 1980' FEL (Unit J)
State "A" A/C-2 No. 44	30-025-08797	1980' FNL & 1980' FWL (Unit F)
State "A" A/C-2 No. 46	30-025-08800	660' FSL & 1980' FWL (Unit N)
State "A" A/C-2 No. 47	30-025-08798	660' FNL & 1980' FWL (Unit C)
State "A" A/C-2 No. 78	30-025-34910	1980' FNL & 660' FWL (Unit E)

(As approved by Division Order No. NSL-4615(SD) dated July 27, 2001)

(3) That portion of Raptor's application to recomplete its State "A" A/C-2 Well No. 78, located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 5, to the Jalmat Gas Pool, and to simultaneously dedicate this well to the subject 440.50-acre non-standard gas proration unit is hereby dismissed.

(4) Jurisdiction is hereby 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

*Lori Wrotenberg*  
LORI WROTENBERY  
Director