

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

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

CASE NO. 12623

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

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OIL CONSERVATION DIV

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Holland & Hart LLP and Campbell & Carr, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Raptor Resources, Inc.
Attention: John Lawrence
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ATTORNEY

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STATEMENT OF CASE

APPLICANT

Applicant seeks an exception to the well location requirements provided within the “Special Pool Rules and Regulations for the Jalmat Gas Pool”, as promulgated by Division Order No. R-8170, as amended, for two unorthodox Jalmat infill gas well locations within an existing non-standard 520-acre spacing and proration unit in the Jalmat Gas Pool (authorized by Division Order No. R-9073, dated December 14, 1989, as amended by Division Order No. R-9073-B) comprised of S/2 NE/4, N/2 SE/4, and SE/4 SE/4 of Section 9 and the W/2 of Section 10, Township 23 South, Range 36 East, which is located approximately 7.5 miles southwest of Eunice, New Mexico. The applicant’s State “A” A/C-1 Well No. 130 is to be drilled at an unorthodox infill gas location 660 feet from the South and East lines of Section 9 and applicant’s State “A” A/C Well No. 131 is to be drilled at an unorthodox infill gas well location 1980 feet from the South line and 660 feet from the East line of Section 9. This unit is currently dedicated to Raptor Resources, Inc.’s:

- A. State “A” A/C-1 Well No. 37 (API No. 30-025-09290), located at a standard gas well location 1650 feet from the North and West lines (Unit F) of Section 10;
- B. State “A” A/C-1 Well No. 38 (API No. 30-025-09291), located at a standard gas well location 990 feet from the South and West lines (Unit M) of Section 10;
- C. State “A” A/C-1 Well No. 49 (API No. 30-025-09292), located at an unorthodox gas well location 660 feet from the North and West lines (Unit D) of Section 10;
- D. State “A” A/C-1 Well No. 55 (API No. 30-025-09293), located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 10;
- E. State “A” A/C-1 Well No. 56 (API No. 30-025-09294), located at a standard location 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 10, which is currently plugged and abandoned;
- F. State “A” A/C-1 Well No. 81 (API No. 30-025-09295), located at an unorthodox

gas well location 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 10;

G. State "A" A/C-1 Well No. 86 (API No. 30-025-09295), located at an unorthodox gas well location 1980 feet from the North and West lines (Unit F) of Section 10, which is currently temporarily abandoned;

H. State "A" A/C-1 Well No. 88 (API No. 30-025-09297), located at an unorthodox gas well location 1980 feet from the South and West lines (Unit K) of Section 10, which is currently temporarily abandoned;

I. State "A" A/C-1 Well No. 89 (API No. 30-025-09298), located at an unorthodox gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 10; and

J. State "A" A/C-1 Well No. 100, located at an unorthodox gas well location 1980 feet from the North line and 990 feet from the East line of Section 9, which is currently plugged and abandoned

Further, the applicant, pursuant to the rules governing the Jalmat Gas Pool and the stipulated declaratory judgment issued by the First Judicial District Court in Santa Fe County, New Mexico on December 15, 2000, seeks to simultaneously dedicate Jalmat production to this 520-acre non-standard unit from all twelve of the above described State "A" A/C Wells No. 37, 38, 49, 55, 56, 81, 86, 88, 89, 100, 130, and 131.

PROPOSED EVIDENCE

APPLICANT

| WITNESSES (Name and expertise) | EST. TIME | EXHIBITS |
|---------------------------------------|------------|-----------------|
| William Keathly (Landman) | 10 minutes | Approximately 4 |
| Dave Percy (Geoscientist) | 15 minutes | Approximately 5 |
| John Lawrence (Petroleum Engineer) | 20 minutes | Approximately 3 |

PROCEDURAL MATTERS

Raptor Resources, Inc. will request that cases 12623, 12624 and 12625 be consolidated for the purpose of presenting testimony.



William F. Carr
Attorney for Raptor Resources, Inc.