

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

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

CASE NO. 12623

APPLICATION

RAPTOR RESOURCES, INC. ("Raptor"), through its undersigned attorneys, (i) seeks an exception to the well location requirements of the "Special Pool Rules and Regulations for the Jalmat Gas Pool" as promulgated by Division Order No. R-8170, as amended, for two unorthodox infill Jalmat gas well locations, and (ii) pursuant to the stipulated declaratory judgment issued by the First Judicial District Court in Santa Fe, County, New Mexico on December 15, 2000, makes application for an order approving the simultaneous dedication of all Jalmat Gas Pool production to an existing non-standard 520-acre spacing and proration unit (authorized by Division Order No. R-9073, dated December 14, 1989, as amended by Division Order No. R-9073-B) comprising the 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, NMPM, Lea County, New Mexico, and in support of its application Raptor states:

1. Raptor is the operator of the non-standard gas spacing and proration unit in the Jalmat Gas Pool comprised of the S/2 NE/4, N/2 SE/4, and the SE/4 SE/4 of Section 9 and the W/2 of Section 10, Township 223 South, Range 36 East, NMPM, Lea County, New Mexico to which are currently dedicated the following wells:

- 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 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.
2. Raptor proposes to drill the following two wells on this spacing and proration unit:
- A. State “A” A/C-1 Well No. 130 to be drilled at an unorthodox infill gas well location 660 feet from the South and East lines (Unit P) of Section 9, and
 - B. State “A” A/C-1 Well No. 131 to be drilled at an unorthodox infill gas well location 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 9.

3. The proposed infill gas well locations are unorthodox because the “Special Rules and Regulations for the Jalmat Gas Pool”, promulgated by Division Order No. R-8170, as amended, require wells located on 520-acre spacing units to be located no closer than 990 feet from the outer boundary of the unit.

4. Raptor seeks to simultaneously dedicate the Jalmat production from each of its proposed new infill gas wells and the existing Jalmat gas wells to this non-standard 520-acre spacing and proration unit.

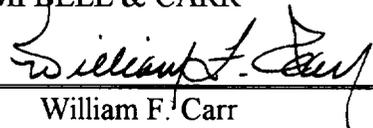
5. Raptor's proposed additional wells are necessary to efficiently and economically drain this 520-acre spacing and proration unit.

6. Approval of this application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Raptor Resources, Inc. requests that this application be set for hearing before an examiner of the Oil Conservation Division on March 22, 2001, and, that after notice and hearing as required by law and the rules of the Division, this application be granted.

Respectfully submitted,

HOLLAND & HART LLP
AND
CAMPBELL & CARR

By: 

William F. Carr
Michael H. Feldewert

ATTORNEYS FOR RAPTOR RESOURCES,
INC.

Application of Raptor Resources, Inc. for two unorthodox infill gas well locations and simultaneous dedication, Lea County, New Mexico. 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, NMPM, 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 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.