STATE OF NEW MEXICO

#### ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY November 4, 1992

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

Clayton W. Williams, Jr., Inc. 3000 Claydesta National Bank Building Six Desta Drive Midland, TX 79705

Attention: David G. Grafe

#### Administrative Order NSL-2874-B(SD)

Dear Mr. Grafe:

Reference is made to your application dated October 13, 1992 for two unorthodox Jalmat gas well locations in an existing non-standard 640-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the N/2 and SW/4 of Section 13 and the NE/4 of Section 14, both in Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-9073, dated December 14, 1989 (Paragraph No. (11) of Exhibit "A") and had decided thereon the State "A" A/C-1 Well No. 20, 21, and 22 located, respectively, in Units C, H, and N of said Section 13 and Well Nos. 77 and 13 located respectively in Units B and H of said Section 14 to this proration unit.

By Division Order R-9073-A, dated February 28, 1990, three additional wells, the State "A" A/C-1 Well Nos. 66, 71, and 75, located at unorthodox gas well locations in Units D, M, and L, respectively, of said Section 13 were approved for the subject GPU.

Further, by Division Administrative Orders NSL-2874 and NSL-2874-A, dated September 25, 1990 and January 18, 1991, respectively, three more wells, the State "A" A/C-1 Well Nos. 57, 106, and 122, located at unorthodox gas well locations in Units B, A, and L, respectively, of said Section 13 were approved for the subject GPU. Authorization was also given in said administrative order to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well Nos. 13, 20, 21, 22, 57, 66, 71, 75, 77, 106 and 122 to the subject GPU.

It is our understanding that the two subject wells to be considered at this time are currently completed in the Langlie-Mattrix Pool, however, said wells will be plugged back to the Jalmat Gas Pool upon issuance of this order.

Administrative Order NSL-2874-B(SD) Clayton W. Williams, Jr., Inc. June 28, 1991 Page 2

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following two described wells located at unorthodox gas well locations are hereby approved:

State "A" A/C-1 Well No. 60 1980' FN & EL (Unit G), Section 13

State "A" A/C-1 Well No. 78 1980' FN & EL (Unit G), Section 14

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well Nos. 60 and 78 with the State "A" A/C-1 Well Nos. 13, 20, 21, 22, 57, 66, 71, 75, 77, 106, and 122; furthermore, you are hereby permitted to produce the allowable assigned the GPU from all of the said wells in any proportion.

All provisions of Division Order R-9073-A, dated February 28, 1990, Division Administrative Order NSL-2874, dated September 25, 1990, Division Administrative Order NSL-2874-A, dated January 28, 1991, and those provisions applicable to the subject GPU in Division Order No. R-9073 shall remain in full force and effect until further notice.

Sincerely, WILLIAM J. LEMAY Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs NM State Land Office - Santa Fe File: Case No. 9775 Case No. 9874 NSL-2874 NSL-2874-A

#### STATE OF NEW MEXICO

### ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

DRUG FREE

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

September 16, 1993

Clayton Williams Energy, Inc. Claydesta Center Six Desta Drive - Suite 3000 Midland, TX 79705

Attention: Greg Benton

### Administrative Order NSL-2874-C(SD)

Dear Mr. Benton:

Reference is made to your application dated August 12, 1993 for an unorthodox Jalmat gas well location in an existing non-standard 640-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the N/2 and SW/4 of Section 13 and the NE/4 of Section 14, both in Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-9073, dated December 14, 1989 (Paragraph No. (11) of Exhibit "A") and had decided thereon the State "A" A/C-1 Well No. 20, 21, and 22 located, respectively, in Units C, H, and N of said Section 13 and Well Nos. 77 and 13 located respectively in Units B and H of said Section 14 to this proration unit.

By Division Order R-9073-A, dated February 28, 1990, three additional wells, the State "A" A/C-1 Well Nos. 66, 71, and 75, located at unorthodox gas well locations in Units D, M, and L, respectively, of said Section 13 were approved for the subject GPU.

Further, by Division Administrative Orders NSL-2874, NSL-2874-A, and NSL-2874-B dated September 25, 1990, January 18, 1991, and November 4, 1992, respectively, five more wells, the State "A" A/C-1 Well Nos. 57, 60, 78, 106, and 122, located at unorthodox gas well locations in Units B, G, G, A, and L, respectively, of said Section 13 were approved for the subject GPU. Authorization was also given in said administrative order to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well Nos. 13, 20, 21, 22, 57, 60, 66, 71, 75, 77, 78, 106 and 122 to the subject GPU.

It is our understanding that the subject well to be considered at this time are currently completed in the Langlie-Mattix Pool, however, said well will be plugged back to the Jalmat Gas Pool upon issuance of this order.



Administrative Order NSL-2874-B(SD) Clayton W. Williams, Jr., Inc. June 28, 1991 Page 2

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well located at unorthodox gas well locations are hereby approved:

State "A" A/C-1 Well No. 76 660' FN & EL (Unit A), Section 14

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well No. 76 with the State "A" A/C-1 Well Nos. 13, 20, 21, 22, 57, 60, 66, 71, 75, 77, 78, 106, and 122; furthermore, you are hereby permitted to produce the allowable assigned the GPU from all of the said wells in any proportion.

All provisions of Division Order R-9073-A, dated February 28, 1990, Division Administrative Order NSL-2874, dated September 25, 1990, Division Administrative Order NSL-2874-A, dated January 28, 1991, Division Administrative Order NSL-2874-B, dated November 4, 1992 and those provisions applicable to the subject GPU in Division Order No. R-9073 shall remain in full force and effect until further notice.

Sincerely,

WILLIAM J. LEMA Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs NM State Land Office - Santa Fe File: Case No. 9775 Case No. 9874 NSL-2874 NSL-2874-A NSL-2874-B



# NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

November 15, 1999

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

#### Administrative Order NSL-2874-D (SD)

Dear Mr. Keathly:

Reference is made to the following: (i) your initial application submitted to the New Mexico Oil Conservation Division ("Division") on September 23, 1999; (ii) the Division's response by letter from Mr. Michael E. Stogner, Engineer in Santa Fe, dated October 13, 1999 withdrawing this application; (iii) your re-submittal of the application to the Division on October 25, 1999; and (iv) the Division's records in Santa Fe: all concerning Raptor Resources, Inc.'s ("Raptor") request for an unorthodox Jalmat gas well location within an existing non-standard 640-acre gas spacing and proration unit ("GPU") for the Jalmat Gas Pool comprising the N/2 and SW/4 of Section 13 and the NE/4 of Section 14, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. This GPU was initially established by Division Order No. R-9073, issued in Case No. 9775 dated December 14, 1989 [Paragraph No. (11) of Exhibit "A"] and had dedicated thereon the following five wells:

- State "A" A/C-1 Well No. 13 (API No. 30-025-09355), located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 14;
- (2) State "A" A/C-1 Well No. 20 (API No. 30-025-09341), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 13;
- (3) State "A" A/C-1 Well No. 21 (API No. 30-025-09342), located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 13;
- (4) State "A" A/C-1 Well No. 22 (API No. 30-025-09343), located at an unorthodox gas well location 660 feet from the

South line and 1980 feet from the West line (Unit N) of Section 13; and

(5) State "A" A/C-1 Well No. 77 (API No. 30-025-10714), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 14.

By Division Order No. R-9073-A, issued in Case No. 9874 dated February 28, 1990, the following three described wells located at unorthodox gas well locations were approved for this GPU:

- (1) State "A" A/C-1 Well No. 66 (API No. 30-025-09346), located at an unorthodox gas well location 660 feet from the North and West lines (Unit D) of Section 13;
- (2) State "A" A/C-1 Well No. 71 (API No. 30-025-09347), located at an unorthodox gas well location 660 feet from the South and West lines (Unit M) of Section 13; and
- (3) State "A" A/C-1 Well No. 75 (API No. 30-025-09349), located at an unorthodox gas well location 1980 feet from the North and West lines (Unit F) of Section 13.

By Division Administrative Order NSL-2874, dated September 25, 1990, another well for this GPU, the State "A" A/C-1 Well No. 106 (**API No. 30-025-20974**), located at an unorthodox gas well location 660 feet from the North and East lines (Unit A) of Section 13 was approved.

By Division Administrative Order NSL-2874-A, dated January 18, 1991, the following two described wells located at unorthodox gas well locations were approved for this GPU:

- (1) State "A" A/C-1 Well No. 57 (API No. 30-025-09344), located 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 13; and
- (2) State "A" A/C-1 Well No. 122 (API No. 30-025-30654), located 2100 feet from the South line and 660 feet from the West line (Unit L) of Section 13.

Division Administrative Order NSL-2874-B (SD), dated November 4, 1992, authorized two additional wells for this GPU at the following described unorthodox gas well locations:

- State "A" A/C-1 Well No. 60 (API No. 30-025-09343), located 1980 feet from the North and East lines (Unit G) of Section 13; and
- (2) State "A" A/C-1 Well No. 78 (API No. 30-025-10715), located 1980 feet from the North and East lines (Unit G) of Section 14.

The most recent order issued in this matter, Division Administrative Order NSL-2874-C (SD), dated September 16, 1993, authorized a fourteenth well for this GPU, the State "A" A/C-1 Well No. 76 (**API No. 30-025-10716**), located at an unorthodox gas well location 660 feet from the North and East lines (Unit A) of Section 14.

The Division's records indicate that the aforementioned State "A" A/C-1 Wells No. 21 and 60 were plugged and abandoned in 1992 and 1994, respectively, therefore both wells can now be omitted from this GPU.

It is our understanding that the subject well to be considered at this time is currently completed in the Langlie-Mattix-Seven Rivers-Queen-Grayburg Pool, however it is to be plugged back and recompleted up-hole into the Jalmat Gas Pool upon issuance of this order.

By authority granted me under the provisions of Rule 2(d) of the "*Special Rules and Regulations for the Jalmat Gas Pool*", as promulgated by Division Order No. R-8170, as amended, and Division Rule 104.F (2) the following well located at an unorthodox Jalmat gas well location in Section 13 is hereby approved:

# State "A" A/C-1 Well No. 74 1980' FNL & 660' FWL (Unit E) (API No. 30-025-09348).

Also, Raptor is hereby authorized to simultaneously dedicate Jalmat gas production from the State "A" A/C-1 Well No. 74 with the State "A" A/C-1 Wells No. 13, 20, 22, 57, 66, 71, 75, 76, 77, 78, 106, and 122. Furthermore, Raptor is hereby permitted to produce the allowable assigned the subject 640-acre GPU from all 13 of these wells in any proportion.

All provisions applicable to the subject non-standard 640-acre GPU in Division Order No. R-9073, as amended by Order No. R-9073-A, and Division Administrative Orders NSL-2874, NSL-2874-A, NSL-2874-B (SD), and NSL-2874-C (SD) shall remain in full force and affect until further notice.

Administrative Order NSL-2874-D(SD) Raptor Resources, Inc. November 15, 1999 Page 4

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,

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Lori Wrotenbery Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs New Mexico State Land Office - Santa Fe William F. Carr, Legal Counsel for Raptor Resources, Inc. - Santa Fe File: NSL-2874 NSL-2874-A / NSL-2874-B (SD) NSL-2874-C (SD)



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Jennifer A. Salisbury Cabinet Secretary

July 25, 2000

Lori Wrotenbery Director Oil Conservation Division

Raptor Resources, Inc. c/o Campbell, Carr, Berge & Sheridan, P.A. P. O. Box 2208 Santa Fe, New Mexico 87504-2208 Attention: William F. Carr

Telefax No. (505) 983-6043

Administrative Order NSL-2874-E (SD)

Dear Mr. Carr:

Reference is made to the following: (i) your application on behalf of the operator, Raptor Resources, Inc. ("Raptor") submitted to the New Mexico Oil Conservation Division ("Division") on June 9, 2000; (ii) the Division's records in Santa Fe; (iii) the two Division directives dated December 22, 1999 and January 5, 2000; (iv) the Division's "*NOTICE*" to all operators in the Jalmat Pool dated January 11, 2000; and (v) the Division Director's "*MEMORANDUM*" to operators and interested parties in the Jalmat Pool dated February 18, 2000: all concerning Raptor's requests for an unorthodox Jalmat infill gas well location within an existing non-standard 640-acre gas spacing and proration unit ("GPU") for the Jalmat Gas Pool comprising the N/2 and SW/4 of Section 13 and the NE/4 of Section 14, all in Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. This GPU was initially established by Division Order No. R-9073, issued in Case No. 9775 and dated December 14, 1989 [Paragraph No. (11) of Exhibit "A"] and had dedicated thereon the following five wells:

- State "A" A/C-1 Well No. 13 (API No. 30-025-09355), located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 14;
- (2) State "A" A/C-1 Well No. 20 (API No. 30-025-09341), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 13;
- (3) State "A" A/C-1 Well No. 21 (API No. 30-025-09342), located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 13;
- (4) State "A" A/C-1 Well No. 22 (API No. 30-025-09343),

located at an unorthodox gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 13; and

(5) State "A" A/C-1 Well No. 77 (API No. 30-025-10714), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 14.

By Division Order No. R-9073-A, issued in Case No. 9874 and dated February 28, 1990, the following three described wells located at unorthodox gas well locations were approved for this GPU:

- (1) State "A" A/C-1 Well No. 66 (API No. 30-025-09346), located at an unorthodox gas well location 660 feet from the North and West lines (Unit D) of Section 13;
- (2) State "A" A/C-1 Well No. 71 (API No. 30-025-09347), located at an unorthodox gas well location 660 feet from the South and West lines (Unit M) of Section 13; and
- (3) State "A" A/C-1 Well No. 75 (API No. 30-025-09349), located at an unorthodox gas well location 1980 feet from the North and West lines (Unit F) of Section 13.

By Division Administrative Order NSL-2874, dated September 25, 1990, another well for this GPU, the State "A" A/C-1 Well No. 106 (API No. 30-025-20974), located at an unorthodox gas well location 660 feet from the North and East lines (Unit A) of Section 13 was approved.

By Division Administrative Order NSL-2874-A, dated January 18, 1991, the following two described wells located at unorthodox gas well locations were approved for this GPU:

- (1) State "A" A/C-1 Well No. 57 (API No. 30-025-09344), located 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 13; and
- (2) State "A" A/C-1 Well No. 122 (API No. 30-025-30654), located 2100 feet from the South line and 660 feet from the West line (Unit L) of Section 13.

Division Administrative Order NSL-2874-B(SD), dated November 4, 1992, authorized two

additional wells for this GPU at the following described unorthodox gas well locations:

- (1) State "A" A/C-1 Well No. 60 (API No. 30-025-09343), located 1980 feet from the North and East lines (Unit G) of Section 13; and
- (2) State "A" A/C-1 Well No. 78 (API No. 30-025-10715), located 1980 feet from the North and East lines (Unit G) of Section 14.

By Division Administrative Order NSL-2874-C(SD), dated September 16, 1993, the fourteenth well for this GPU, the State "A" A/C-1 Well No. 76 (API No. 30-025-10716), located at an unorthodox gas well location 660 feet from the North and East lines (Unit A) of Section 14 was approved.

The most recent order issued in this matter, Division Administrative Order NSL-2874-D (SD), dated November 15, 1999, authorized a fifteenth well for this GPU, the State "A" A/C-1 Well No. 74 (API No. 30-025-09348), located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 14. This order further omitted the State "A" A/C-1 Wells No. 21 and 60 from this GPU since both wells had been plugged and abandoned.

It is our understanding that the subject well to be considered at this time was initially drilled to a total depth of 3,810 feet in March, 2000 in order to test the Langlie-Mattix-Seven Rivers-Queen-Grayburg Pool at standard oil well location within a 40-acre standard oil spacing and proration unit comprising the NE/4 SW/4 (Unit K) of Section 13. Found to be non-productive, Raptor now seeks to recomplete this well up-hole into the Jalmat Gas Pool upon issuance of this order.

By authority granted me under the provisions of Rule 2(d) of the "Special Rules and Regulations for the Jalmat Gas Pool", as promulgated by Division Order No. R-8170, as amended, and Division Rule 104.F (2) the following well located at an unorthodox Jalmat gas well location in Section 13 is hereby approved:

# State "A" A/C-1 Well No. 128 1980' FSL & 1830' FWL (Unit K) (API No. 30-025-34876).

Also, Raptor is hereby authorized to simultaneously dedicate Jalmat gas production from the State "A" A/C-1 Well No. 128 with the State "A" A/C-1 Wells No. 13, 20, 22, 57, 66, 71, 74, 75, 76, 77, 78, 106, and 122. Furthermore, Raptor is hereby permitted to produce the allowable

Administrative Order NSL-2874-E(SD) Raptor Resources Inc. July 25, 2000 Page 4

assigned the subject 640-acre GPU from all 14 of these wells in any proportion

All provisions applicable to the subject non-standard 640-acre GPU in Division Order No. R-9073, as amended by Order No. R-9073-A, and Division Administrative Orders NSL-2874, NSL-2874-A, NSL-2874-B(SD), NSL-2874-C(SD), and NSL-2874-D(SD) shall remain in full force and affect until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,

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Lori Wrotenbery Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs New Mexico State Land Office - Santa Fe File: NSL-2874 NSL-2874-A / NSL-2874-B(SD) NSL-2874-C(SD) NSL-2874-D(SD)



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Jennifer A. Salisbury Cabinet Secretary

December 27, 2001

Lori Wrotenbery Director Oil Conservation Division

Raptor Resources, Inc. c/o William F. Carr Holland & Hart L.L.P. and Campbell & Carr P. O. Box 2208 Santa Fe, New Mexico 87504-2208

Telefax No. (505) 983-6043

Administrative Order NSL-2874-F (SD)

Dear Mr. Carr:

Reference is made to the following: (i) your application on behalf of the operator, Raptor Resources, Inc. ("Raptor") dated November 28, 2001 (*application reference No. pKRV0-133340724*); and (ii) the New Mexico Oil Conservation Division's ("Division") records in Santa Fe, including the files on Division Administrative Orders NSL-2874, NSL-2874-A, NSL-2874-B (SD), NSL-2874-C (SD), NSL-2874-D (SD), and NSL-2874-E (SD) and Division Cases No. 9775 (which resulted in the issuance of Division Order No. R-9073) and 9874 (which resulted in the issuance of Division Order No. R-9073) and 9874 (which resulted in the issuance of Division Order No. R-9073-A): all concerning Raptor's request for an unorthodox Jalmat infill gas well location within an existing non-standard 640-acre gas spacing and proration unit ("GPU") for the Jalmat Gas Pool (79240) comprising the following described acreage in Lea County, New Mexico:

TOWNSHIP 23 SOUTH	L RANGE 36 EAST, NMPM
Section 13:	NE/4
Section 14 :	N/2 and SW/4.

The rules and procedures governing the Jalmat Gas Pool at the time this application was submitted include but are not necessarily limited to:

(i) the "Special Rules and Regulations for the Jalmat Gas Pool," as promulgated by Division Order No. R-8170, as amended;

(ii) Division Rule 605.B;

(iii) 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;

(iv) Rule 1207.A (2); and

(v) the amended Stipulated Declaratory Judgement of the First Judicial District Court in Santa Fe County, New Mexico issued on July 11, 2001 in Hartman vs. Oil Conservation Division, Cause No. D-0101-CV-

#### 9902927 ("Stipulated Declaratory Judgement").

This GPU was initially established by Division Order No. R-9073, issued in Case No. 9775 and dated December 14, 1989 [Paragraph No. (11) of Exhibit "A"] and had dedicated thereon the following five wells:

- (1) State "A" A/C-1 Well No. 13 (API No. 30-025-09355), located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 14;
- (2) State "A" A/C-1 Well No. 20 (API No. 30-025-09341), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 13;
- (3) State "A" A/C-1 Well No. 21 (API No. 30-025-09342), located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 13;
- (4) State "A" A/C-1 Well No. 22 (API No. 30-025-09343), located at an unorthodox gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 13; and
- (5) State "A" A/C-1 Well No. 77 (**API No. 30-025-10714**), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 14.

By Division Order No. R-9073-A, issued in Case No. 9874 and dated February 28, 1990, the following three described wells located at unorthodox gas well locations were approved for this GPU:

- State "A" A/C-1 Well No. 66 (API No. 30-025-09346), located at an unorthodox gas well location 660 feet from the North and West lines (Unit D) of Section 13;
- (2) State "A" A/C-1 Well No. 71 (API No. 30-025-09347), located at an unorthodox gas well location 660 feet from the South and West lines (Unit M) of Section 13; and
- (3) State "A" A/C-1 Well No. 75 (**API No. 30-025-09349**), located at an unorthodox gas well location 1980 feet from the North and West lines (Unit F) of Section 13.

By Division Administrative Order NSL-2874, dated September 25, 1990, another well for this GPU, the State "A" A/C-1 Well No. 106 (API No. 30-025-20974), located at an unorthodox gas well location 660 feet from the North and East lines (Unit A) of Section 13 was approved.

By Division Administrative Order NSL-2874-A, dated January 18, 1991, the following two described wells located at unorthodox gas well locations were approved for this GPU:

- (1) State "A" A/C-1 Well No. 57 (API No. 30-025-09344), located 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 13; and
- (2) State "A" A/C-1 Well No. 122 (API No. 30-025-30654), located 2100 feet from the South line and 660 feet from the West line (Unit L) of Section 13.

Division Administrative Order NSL-2874-B (SD), dated November 4, 1992, authorized two additional wells for this GPU at the following described unorthodox gas well locations:

- (1) State "A" A/C-1 Well No. 60 (API No. 30-025-09343), located 1980 feet from the North and East lines (Unit G) of Section 13; and
- (2) State "A" A/C-1 Well No. 78 (**API No. 30-025-10715**), located 1980 feet from the North and East lines (Unit G) of Section 14.

By Division Administrative Order NSL-2874-C (SD), dated September 16, 1993, another well for this GPU, the State "A" A/C-1 Well No. 76 (API No. 30-025-10716), located at an unorthodox gas well location 660 feet from the North and East lines (Unit A) of Section 14 was approved.

By Division Administrative Order NSL-2874-D (SD), dated November 15, 1999, the State "A" A/C-1 Well No. 74 (API No. 30-025-09348), located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 14 was approved for this GPU. Furthermore, Division Administrative Order NSL-2874-D (SD) omitted the above-described State "A" A/C-1 Wells No. 21 and 60 from this GPU since both wells had been plugged and abandoned in 1992 and 1994, respectively.

The most recent order issued in this matter, Division Administrative Order NSL-2874-E (SD), dated July 25, 2000, authorized the State "A" A/C-1 Well No. 74 (API No. 30-025-09348), located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 14 to be included within this GPU.

It is our understanding that the subject well to be considered at this time, the plugged and abandoned Clayton Williams Energy, Inc. State "A" A/C-1 Well No. 60 (API No. 30-025-09345), located 1980 feet from the North and East lines (Unit G) of Section 13, which well was also the subject of Division Administrative Orders NSL-2874-B (SD) (approval) and NSL-2874-D (SD) (omission), is to be re-entered and completed by Raptor as a gas well within this 640-acre GPU at an unorthodox infill Jalmat gas well location. Bt the authority granted me under the provisions of the rules, regulations, and directives governing the Jalmat Gas Pool, the location of the State "A" A/C-1 Well No. 60 is hereby approved.

Administrative Order NSL-2874-F(SD) Raptor Resources, Inc. December 27, 2001 Page 4

Also, Raptor is hereby authorized to simultaneously dedicate Jalmat gas production from the State "A" A/C-1 Well No. 60 with the existing State "A" A/C-1 Wells No. 13, 20, 22, 57, 66, 71, 74, 75, 76, 77, 78, 106, 122, and 128. Furthermore, Raptor is permitted to produce the allowable assigned the subject 640-acre GPU from all 15 wells in any proportion

It is further ordered that all provisions applicable to the subject GPU in Division Orders No. R-9073 and R-9073-A and Division Administrative Orders NSL-2874, NSL-2874-A, NSL-2874-B (SD), NSL-2874-C (SD), NSL-2874-D (SD), and NSL-2874-E (SD), not in conflict with this order, shall remain in full force and affect until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,

Lori Wrotenbery Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs New Mexico State Land Office - Santa Fe File: NSL-2874 NSL-2874-A / NSL-2874-B (SD)

NSL-2874-C (SD) NSL-2874-D (SD)

NSL-2874-E (SD)