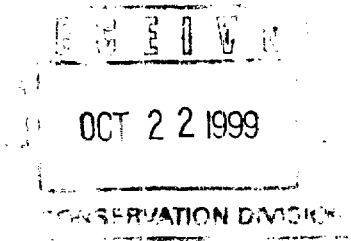


**DOYLE HARTMAN**

*Oil Operator*

500 NORTH MAIN  
P.O. BOX 10426  
MIDLAND, TEXAS 79702

(915) 684-4011  
(915) 682-7616 FAX



October 21, 1999

**Via Facsimile (915) 684-4508**

Raptor Resources, Inc.  
414 W. Texas, Suite 202  
Midland, TX 79701

Attn: Bill R. Keathly  
Regulatory Agent

**Via Facsimile (505) 827-8177**

New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Attn: Lori Wrotenbery, Director  
Michael Stogner, Chief Hearing Officer

Re: Application for Unorthodox Gas Well Locations and Simultaneous Dedication

State "A" A/C 2 Well No. 30  
1980' FNL and 660' FWL  
Section 9, T-22-S, R-36-E  
Lea County, New Mexico

State "A" A/C 2 Well No. 48  
660' FNL and 1980' FEL  
Section 9, T-22-S, R-36-E  
Lea County, New Mexico

Ladies and Gentlemen:

Reference is made to Raptor Resources, Inc.'s (Raptor's) applications, dated October 4, 1999 and October 5, 1999, received October 12, 1999, for unorthodox well locations and simultaneous dedication of its State "A" A/C 2 Nos. 30 and 48 wells to a previously existing 480-acre Jalmat proration unit.

Since the closest of Raptor's two newly proposed wells is 3300' north of our State "H" lease, but also in recognition of the fact that a proration unit is defined as "...the area in a pool that can be efficiently and economically drained by one well, as determined by the commission (N.M. Stat., 1973 § 70-2-17 (B)) (emphasis added)...", we hereby waive any current objection to the two newly proposed completions, provided:

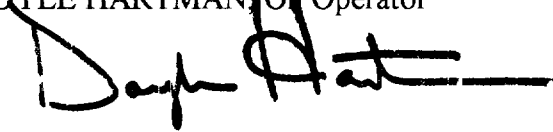
- (1) In accordance with standard NMOCD regulations, all gas from wells situated on the subject 480-acre non-standard Jalmat proration unit is both separately and accurately metered, on a daily basis, from each individual Jalmat well, so that the source of the multi-well proration unit production can be accurately determined, and

- (2) It is understood that Doyle Hartman reserves the right to object to future applications for simultaneous dedication, if and/or when it becomes apparent that Raptor's proposed spacing is more dense than the drainage capability of an efficiently completed Jalmat well, thus (a) violating the correlative rights of offset leases, or (b) promoting waste by requiring the drilling and completion of an excessive number of wells, in order to counter drainage by Raptor.

Please promptly let us know if the conditions of our approval are acceptable to Raptor. If our conditions are not acceptable, this letter shall serve as Doyle Hartman's timely objection to Raptor's application.

Very truly yours,

DOYLE HARTMAN, Oil Operator



Doyle Hartman

rcp  
wp7\corresp.dh\nmocc-raptor-state.h

**AGREED AND ACCEPTED BY RAPTOR RESOURCES, INC.**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

cc: **Via Facsimile (512) 478-4476**  
Raptor Resources, Inc.  
901 Rio Grande (78701)  
P.O. Box 160430  
Austin, Texas 78716-0430  
Attn: Russell Douglass, President  
Mike Nell, Vice President  
Bill Keathly, Regulatory Agent

New Mexico Oil Conservation Division  
October 21, 1999  
Page 3

**Via Facsimile (505) 986-0741**  
Gallegos Law Firm  
460 St. Michaels Drive, Building 300  
Santa Fe, NM 87505  
Attn: J.E. Gallegos  
Michael J. Condon

DOYLE HARTMAN, Oil Operator (Dallas)

DOYLE HARTMAN, Oil Operator (Midland)  
Don Mashburn  
Steve Hartman  
Sheila Potts  
Linda Land  
Cindy Brooks

# RAPTOR RESOURCES, INC.

901 Rio Grande

Austin, Texas 78701

(512) 478-4427

October 4, 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' FNL and 660' FWL  
Section 9, T 22S, R 36E (E)  
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.

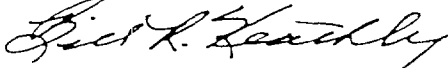
Raptor Resources, Inc. is planning to re-complete it's State "A" A/C 2 Well No. 30 in the Jalmat Tansil Yates 7-Rivers (Pro Gas Pool). It is our desire to also simultaneously dedicate the existing 480- acre Proration Unit assigned to our well nos. 1, 29, 38, 40, 57, 63, 67 and 72 to all nine wells. Previously approved orders are R 9073 and NSL 2872 & 2872 A & B.

The offset operator plat shows that Arco Permian, Chevron Inc, OXY USA, Doyle Hartman, Marathon and Finley Resources 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.

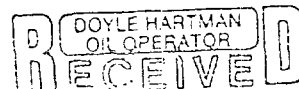
If you have any questions or require any further information concerning this application, please contact me at (915) 697-1609 or e-mail me at [BRKeathly@juno.com](mailto:BRKeathly@juno.com).

Sincerely,



Bill R. Keathly  
Regulatory Agent for Raptor Resources

Cc: Oil Conservation Division - Hobbs



OCT 12 1999

State "A" A/C 2 # 30  
Section 9, T-22S, R-36E, (E)  
API # 30-025-08855  
Lea County, New Mexico

**RE: Application for Unorthodox Location**

**Notification of Offset Operators:**

Arco Permian  
P.O. Box 1610  
Midland, TX 79702

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

OXY USA Inc  
P.O. Box 50250  
Midland, TX 79710

Finley Resources  
1308 Lake St., Ste 200  
Ft. Worth, TX 76102

Doyle Hartman  
P.O. Box 10426  
Midland, TX 79702

Marathon Oil Co.  
P.O. Box 552  
Midland, TX 79702

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

## Finley Resources

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  
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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 - 0 025-08855
Property Code 24671	Property Name State 'A' A/C 2	Well No. 30

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	9	22S	36E		1980	North	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 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/7 Rvrs	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: Seven Rivers-Queen, South

PROPOSED OPERATIONS

1. Set CIBP above the Eunice: Seven Rivers-Queen
2. Perf the TnsI @ 2956-3121; Yates @ 3121-3306; 7 Rvrs @ 3306-3679.
3. Acidize
4. Frac
5. POP

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature

*Bill R. Keathly*

Printed name:

Bill R. Keathly

Title:

R regulatory Agent for Raptor

Date:

10-4-99

Phone

(915) 697-1609

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

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

Revised February 21, 1964

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☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025- 08855	2 Pool Code 79240	3 Pool Name Jalmat, TnsI, Yts, 7-Rivers (Pro Gas)
4 Property Code 24671	5 Property Name State 'A' A/C 2	6 Well Number 30
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
E	9	22S	36E		1980	North	660	West	Lea

## 11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
480			Applied For

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

10-4-99  
Date

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plot 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

October 5, 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' FNL and 1980' FEL  
Section 9, T 22S, R 36E (B)  
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.

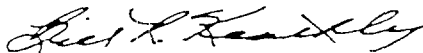
Raptor Resources, Inc. is planning to re-complete it's **State "A" A/C 2 Well No. 48** in the Jalmat Tansil Yates 7-Rivers (Pro Gas Pool). It is our desire to also simultaneously dedicate the existing 480- acre Proration Unit assigned to our well nos. 1, 29, 30, 38, 40, 57, 63, 67 and 72 to all ten wells. Previously approved orders are R 9073 and NSL 2872 & 2872 A & B.

The offset operator plat shows that Arco Permian, Chevron Inc, OXY USA, Doyle Hartman, Marathon and Finley Resources 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.

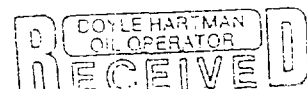
If you have any questions or require any further information concerning this application, please contact me at (915) 697-1609 or e-mail me at [BRKeathly@juno.com](mailto:BRKeathly@juno.com).

Sincerely,



Bill R. Keathly  
Regulatory Agent for Raptor Resources

Cc: Oil Conservation Division - Hobbs



OCT 12 1999

State "A" A/C 2 # 48  
Section 9, T-22S, R-36E, (B)  
API # 30-025-08845  
Lea County, New Mexico

**RE: Application for Unorthodox Location**

**Notification of Offset Operators:**

Arco Permian  
P.O. Box 1610  
Midland, TX 79702

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

OXY USA Inc  
P.O. Box 50250  
Midland, TX 79710

Finley Resources  
1308 Lake St., Ste 200  
Ft. Worth, TX 76102

Doyle Hartman  
P.O. Box 10426  
Midland, TX 79702

Marathon Oil Co.  
P.O. Box 552  
Midland, TX 79702

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

Dez e Hartmann

Chevrom

 $\partial \times \gamma$ 

## Finlay Resources

[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  
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☐ 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		GRID No. 162791
		API Number 30 - 0 025-08845
Property Code 24671	Property Name State 'A' A/C 2	Well No. 48

' Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	9	22S	36E		660	North	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, Tns1, 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
Tns1/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: Producing in the Eunice: Seven Rivers-Queen

PROPOSED OPERATIONS

1. Set CIBP above the Eunice: Seven Rivers-Queen
2. Perf the Tns1 @ 2971-3150; Yates @ 3150-3347; 7 Rvrs @ 3347-3660
3. Acidize
4. Frac
5. POP

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

*Bill R. Keathly*

Printed name

Bill R. Keathly

Title:

R regulatory Agent for Raptor

Date:

10-5-99

Phone

(915) 697-1609

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached

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

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☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-08845		2 Pool Code 79240		3 Pool Name Jalmat, Tns1, Y's, 7-Rivers (Pro Gas)	
4 Property Code 24671		5 Property Name State 'A' A/C 2			6 Well Number 48
7 OGRID No. 162791		8 Operator Name Raptor Resources, Inc,			9 Elevation

## 10 Surface Location

BL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	9	22S	36E		660	North	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
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12 Dedicated Acres 480	13 Joint or Infill	14 Consolidation Code	15 Order No. Applied For
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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

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