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February 13, 2001

HAND-DELIVERED

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Energy, Minerals and
Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

27-12 12561

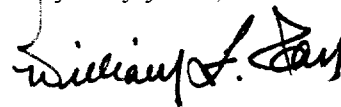
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OL CONSERVATION DIV

**Re: Application of Raptor Resources, Inc. to amend Division Order No. R-9073
and for approval of a non-standard 400-acre gas proration unit and an
unorthodox infill gas well location, Lea County, New Mexico.**

Dear Ms. Wrotenbery:

Enclosed in triplicate is the Application of Raptor Resources, Inc. in the above-referenced case as well as a copy of the legal advertisement. Raptor Resources, Inc. requests that this matter be placed on the docket for the March 8, 2001 Examiner hearings.

Very truly yours,



William F. Carr

Enclosures

cc: Mr. John Lawrence (w/enclosures)
Raptor Resources, Inc.

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

**IN THE MATTER OF THE APPLICATION
OF RAPTOR RESOURCES, INC. TO AMEND
DIVISION ORDER NO. R-9073 AND FOR
APPROVAL OF A NON-STANDARD
400-ACRE GAS PRORATION UNIT AND
AN UNORTHODOX INFILL GAS WELL
LOCATION, LEA COUNTY, NEW MEXICO.**

CASE NO. 12561

APPLICATION

RAPTOR RESOURCES, INC. ("Raptor"), through its undersigned attorneys, hereby makes application for an order amending Division Order No. R-9073 to approve a 400-acre gas proration unit and an unorthodox infill gas well location in the Jalmat Gas Pool, and in support thereof states:

1. Raptor is the operator of a non-standard 440-acre gas spacing and proration unit ("GPU") comprising the SE/4 of Section 17, the NE/4 of Section 20, the N/2 NW/4 and the SW/4 NW/4 of Section 21, all in Township 23 South, Range 36 East which was established for the Jalmat Gas Pool by Division Order No. R-9073, issued in Case 9775 and dated December 14, 1989 [Paragraph No. (13) of Exhibit "A"].

2. Order No. R-9073 further provided for the following described four wells to be dedicated to this 440-acre GPU:

A. State "A" A/C-1 Well No. 3 (API No. 30-025-09367) , located at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Unit E) of Section 21, which is currently plugged and abandoned.

- B. State "A" A/C-1 Well No. 4 (**API No. 30-025-09366**), located at an unorthodox gas well location 330 feet from the North line and 1660 feet from West line (Unit C) of Section 21, which is currently plugged and abandoned.
- C. State "A" A/C-1 Well No. 5, located at an unorthodox gas well location 1320 feet from North line and 660 feet from the East line (Units A/H) of Section 20, which is also plugged and abandoned; and
- D. State "A" A/C-1 Well No. 39 (**API No. 30-025-09358**), located at an unorthodox gas well location 1980 feet from the South and East lines (Unit J) of Section 17.

3. Raptor seeks to (i) expand this unit to include the 40 acres comprising the SE/4 NW/4 of Section 21; and (ii) to contract this unit by deleting therefrom the two 40-acre tracts that comprise the SW/4 SE/4 (Unit O) of Section 17 and the NW/4 NE/4 (Unit B) of Section 20.

4. Raptor further seeks an exception to the well location requirements provided within the "Special Rules and Regulations for the Jalmat Gas Pool", as promulgated by Division Order No. R-8170, as amended, for an unorthodox Jalmat infill gas well location within this newly established 400-acre GPU for its existing State "A" A/C-1 Well No. 6 (**API No. 30-025-09369**), located 2310 feet from the North line and 1650 feet from the West line (Unit F) of Section 21.

5. The State "A" A/C-1 Well Nos. 6 and 39 are to be dedicated to this GPU.

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 and that after notice and hearing as required by law and the rules of the Division, this application be granted.

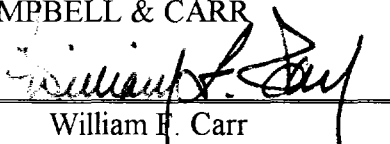
Respectfully submitted,

HOLLAND & HART LLP

AND

CAMPBELL & CARR

By:



William F. Carr

ATTORNEYS FOR RAPTOR RESOURCES, INC.

CASE NO. 12561: Readvertised

Application of Raptor Resources, Inc. to amend Division Order No. R-9073 and for approval of a non-standard 400-acre gas proration unit and an unorthodox infill gas well location, Lea County, New Mexico.

By Division Order No. R-9073, issued in Case No. 9775 and dated December 14, 1989 [Paragraph No. (13) of Exhibit "A"], a non-standard 440-acre gas spacing and proration unit ("GPU") comprising the SE/4 of Section 17, the NE/4 of Section 20, and the N/2 NW/4 and SW/4 NW/4 of Section 21, all in Township 23 South, Range 36 East, was established for the Jalmat Gas Pool. This order further provided for the following four described wells to be dedicated to this 440-acre GPU, which is located approximately 12.5 miles southwest of Eunice, New Mexico:

- (i) State "A" A/C-1 Well No. 3 (API No. 30-025-09367), located at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Unit E) of Section 21, which is currently plugged and abandoned;
- (ii) State "A" A/C-1 Well No. 4 (API No. 30-025-09366), located at an unorthodox gas well location 330 feet from the North line and 1660 feet from the West line (Unit C) of Section 21, which is currently plugged and abandoned;
- (iii) State "A" A/C-1 Well No. 5, located at an unorthodox gas well location 1320 feet from the North line and 660 feet from the East line (Units A/H) of Section 20, which is also plugged and abandoned; and
- (iv) State "A" A/C-1 Well No. 39 (API No. 30-025-09358), located at an unorthodox gas well location 1980 feet from the South and East lines (Unit J) of Section 17.

The applicant in this matter, Raptor Resources, Inc. seeks to: (i) expand this unit to include the 40 acres comprising the SE/4 NW/4 of Section 21; and (ii) to contract this unit by deleting therefrom the two 40-acre tracts that comprise the SW/4 SE/4 (Unit O) of Section 17 and the NW/4 NE/4 (Unit B) of Section 20. Further, the applicant seeks an exception to the well location requirements provided within the *"Special Rules and Regulations for the Jalmat Gas Pool"*, as promulgated by Division Order No. R-8170, as amended, for an unorthodox Jalmat infill gas well location within this newly established 400-acre GPU for its existing State "A" A/C-1 Well No. 6 (API No. 30-025-09369), located 2310 feet from the North line and 1650 feet from the West line (Unit F) of Section 21. Both the State "A" A/C-1 Wells No. 6 and 39 are to be dedicated to this GPU. **IN THE ABSENCE OF OBJECTION, THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.**