

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

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

CASE NO. 12625

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OIL CONSERVATION DIV.

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 an unorthodox infill Jalmat Gas well location, 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 a standard 640-acre gas spacing and proration unit comprising Section 11, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, and in support of its application states:

1. Raptor is the operator of a standard gas spacing and proration unit in the Jalmat Gas Pool comprised of Section 11, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico to which are currently dedicated the following wells:

- (A) State "A" A/C-2 Well No. 14 (API No. 30-025-08873), located at an unorthodox location 660 feet from the North and 1980 feet from the East line (Unit B) of Section 11;

- (B) State "A" A/C-2 Well No. 15 (**API No. 30-025-08874**), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 11;
- (C) State "A" A/C-2 Well No. 18, located at a standard location 1650 feet from the North and East lines (Unit G) of Section 11 which is currently plugged and abandoned;
- (D) State "A" A/C-2 Well No. 36 (**API No. 30-025-08878**), located at an unorthodox location 660 feet from the South and West lines (Unit M) of Section 11;
- (E) State "A" A/C-2 Well No. 42 (**API No. 30-025-08879**), located at an unorthodox location 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 11;
- (F) State "A" A/C-2 Well No. 62 (**API No. 30-025-25542**), located at a standard gas well location 1980 feet from the South line and 2310 feet from the West line (Unit K) of Section 11;
- (G) State "A" A/C-2 Well No. 73 (**API No. 30-025-30035**), located at an unorthodox gas well location 990 feet from the South line and 660 feet from the East line (Unit P) of Section 11; and
- (H) State "A" A/C-2 Well No. 75 (**API No. 30-025-34791**), located at an unorthodox gas well location 2040 feet from the South line and 660 feet from the West line (Unit L) of Section 11.

2. Raptor proposes to drill the following two infill Jalmat Gas Wells on this spacing and proration unit:

- (A) The State "A" A/C Well No. 79 to be drilled at an unorthodox infill gas well location 660 feet from the North and East lines of said Section 11, and
- (B) The State "A" A/C-2 Well No. 80 to be drilled at a standard location 1980 feet from the North and West lines (Unit F).

3. The proposed location for the State "A" A/C-2 Well No. 79 is unorthodox for the "Special Rules and Regulations for the Jalmat Gas Pool", promulgated by Division Order No. R-8170, as amended, provide that wells located on a 640-acre spacing unit must 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 standard 640-acre Jalmat gas spacing and proration unit.

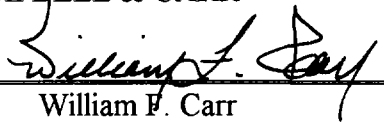
5. Raptor's proposed infill gas wells are necessary to efficiently and economically drain the subject 640-acre spacing and proration unit.

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 an unorthodox infill gas well location 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 an unorthodox Jalmat infill gas well location within an existing standard 640-acre spacing and proration unit comprised of Section 11, Township 22 South, Range 36 East, NMPM, which is located approximately 3.5 miles southwest of Eunice, New Mexico. The applicant's State "A" A/C-2 Well No. 79 is to be drilled at an unorthodox infill gas location 660 feet from the North and East lines of Section 11. This unit is currently dedicated to Raptor Resources, Inc.'s:

- (A) State "A" A/C-2 Well No. 14 (**API No. 30-025-08873**), located at an unorthodox location 660 feet from the North and 1980 feet from the East line (Unit B) of Section 11;
- (B) State "A" A/C-2 Well No. 15 (**API No. 30-025-08874**), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 11;
- (C) State "A" A/C-2 Well No. 18, located at a standard location 1650 feet from the North and East lines (Unit G) of Section 11 which is currently plugged and abandoned;
- (D) State "A" A/C-2 Well No. 36 (**API No. 30-025-08878**), located at an unorthodox location 660 feet from the South and West lines (Unit M) of Section 11;
- (E) State "A" A/C-2 Well No. 42 (**API No. 30-025-08879**), located at an unorthodox location 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 11;
- (F) State "A" A/C-2 Well No. 62 (**API No. 30-025-25542**), located at a standard gas well location 1980 feet from the South line and 2310 feet from the West line (Unit K) of Section 11;
- (G) State "A" A/C-2 Well No. 73 (**API No. 30-025-30035**), located at an unorthodox gas well location 990 feet from the South line and 660 feet from the East line (Unit P) of Section 11; and
- (H) State "A" A/C-2 Well No. 75 (**API No. 30-025-34791**), located at an unorthodox gas well location 2040 feet from the South line and 660 feet from the West line (Unit L) of Section 11.

Raptor also seeks to drill its proposed State "A" A/C-2 Well No. 80 at a standard location 1980 feet from the North and West lines (Unit F) of said Section 11.

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 640-acre unit from all ten of the above-described State "A" A/C Wells No. 14, 15, 18, 36, 42, 62, 73, 75, 79, and 80.