

BEFORE THE OIL CONSERVATION DIVISION
NEW MEXICO ENERGY, MINERALS AND
NATURAL RESOURCES DEPARTMENT

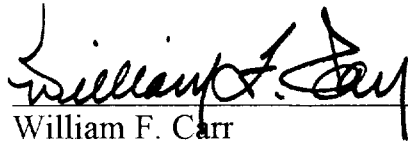
AMENDED APPLICATION OF
RAPTOR RESOURCES, INC., FOR TWO
UNORTHODOX INFILL GAS WELL LOCATIONS
AND SIMULTANEOUS DEDICATION
LEA COUNTY, NEW MEXICO.

CASE NO. 12678

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

William F. Carr, attorney in fact and authorized representative of Raptor Resources, Inc., the Applicant herein, being first duly sworn, upon oath, states that notice has been given to all interested persons entitled to receive notice of this application under Oil Conservation Division rules, and that notice has been given at the addresses shown on Exhibit "A" attached hereto.


William F. Carr

SUBSCRIBED AND SWORN to before me this 21st day of June, 2001.


Notary Public

My Commission Expires:

Aug. 21, 2001

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case 12678 Exhibit A
Submitted by:
Raptor Resources, Inc.
Hearing Date: July 12, 2001

EXHIBIT A

**State "A" A/C-2 Well No. 31
1980' FN&WL (Unit F)
Section 9, Township 22 South, Range 36 East, N.M.P.M.**

**State "A" A/C-2 Well No. 52
1980' FNL & 660' FEL (Unit H)
Section 9, Township 22 South, Range 36 East, N.M.P.M.**

**480-acre Non-Standard Jalmat Gas Pool Spacing and Proration Unit
Approved by Division Order No. R-9073**

Conoco, Inc.
10 Desta Drive, Suite 100W
Midland, Texas 79705

Chevron USA Inc.
Attn: WOJV-Business Unit
Post Office Box 1635
Houston, Texas 77251

Finley Resources
1308 Lake Street, Suite 200
Ft. Worth, Texas 76102

Doyle Hartman
Post Office Box 10426
Midland, Texas 79702

Arco Permian
Post Office Box 1610
Midland, Texas 79702-1610

Marathon Oil Company
Mid-Continent Production Office
Post Office Box 552
Midland, Texas 79702

Gruy Petroleum Management Company
Post Office Box 140907
Irving, Texas 75014-0907

HOLLAND & HART ^{LLP}
AND
CAMPBELL & CARR
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

SUITE 1
110 NORTH GUADALUPE
SANTA FE, NEW MEXICO 87501-6525
MAILING ADDRESS
P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208

TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043
www.hollandhart.com

June 19, 2001

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED INTEREST OWNERS:

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

Ladies and Gentlemen:

This letter is to advise you that Raptor Resources, Inc., has filed the enclosed amended application with the New Mexico Oil Conservation Division seeking an exception to the well location requirements provided by the "Special Rules and Regulations for the Jalmat Gas Pool," as promulgated by Division Order No. R-8170, as amended, for its proposed State "A" A/C-2 Well No. 31 to be re-entered and re-completed in the Jalmat Gas Pool at an unorthodox infill gas well location 1980 feet from the North and West lines (Unit F) and its proposed State "A" A/C-2 Well No. 52 to be re-entered and re-completed in the Jalmat Gas Pool at an unorthodox infill gas well location 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 9, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico.

Raptor Resources, Inc., pursuant to the "Special Rules and Regulations for 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, in Cause No. D-0101-CV9902927, seeks authority to simultaneously dedicate the Jalmat production from these proposed new infill wells and the existing Jalmat gas wells identified in the enclosed application to a previously approved non-standard 480-acre spacing and proration unit in the Jalmat Gas Pool

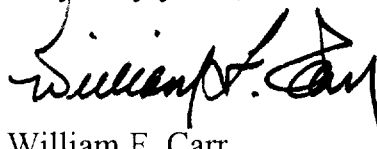
Notice Letter
June 19, 2001
Page Two

(Order No. R-9073) comprised of the N/2 and SW/4 of Section 9, Township 22 South, Range 36 East, NMPM.

This application has been set for hearing before a Division Examiner on July 12, 2001. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Prehearing Statement three days in advance of a scheduled hearing. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr", written over a horizontal line.

William F. Carr

ATTORNEY FOR RAPTOR RESOURCES,
INC.

Enclosure

cc: John Lawrence,
Raptor Resources, Inc.

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

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

CASE NO. 12678

AMENDED APPLICATION

OIL CONSERVATION DIV.
JUN 9 PM 1:42

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 480-acre gas 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 N/2 and SW/4 of Section 9, Township 22 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 N/2 and SW/4 of Section 9, 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. 1 (**API No. 30-025-08849**), located at an unorthodox location 660 feet from the South and 1980 feet from the West line (Unit N) of Section 9;
- (B) State "A" A/C-2 Well No. 4 (**API No. 30-025-08853**), located at an unorthodox gas well location 660 feet from the South and West lines (Unit M) of Section 9;
- (C) State "A" A/C-2 Well No. 29 (**API No. 30-025-08854**), located at an unorthodox gas well location 660 feet from the North and West lines (Unit D) of Section 9;
- (D) State "A" A/C-2 Well No. 30 (**API No. 30-025-08855**), located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the East line (Unit E) of Section 9,
- (E) State "A" A/C-2 Well No. 38 (**API No. 30-025-08847**), located at an unorthodox gas well location 1980 feet from the South and West lines (Unit K) of Section 9;
- (F) State "A" A/C-2 Well No. 40 (**API No. 30-025-08848**), located at a standard gas well location 990 feet from the North and East lines (Unit A) of Section 9;

- (G) State "A" A/C-2 Well No. 48 (**API No. 30-025-08845**), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the East line(Unit B) of Section 9,
- (H) State "A" A/C-2 Well No. 57 (**API No. 30-025-20297**), located at an unorthodox gas well location 1980 feet from the North and East lines (Unit G) of Section 9,
- (I) State "A" A/C-2 Well No. 63 (**API No. 30-025-25543**), located at a standard gas well location 990 feet from the North line and 2310 feet from the West line (Unit C) of Section 9;
- (J) State "A" A/C-2 Well No. 67 (**API No. 30-025-28276**), located at a standard gas well location 2615 feet from the South line and 1345 feet from the West line (Unit K) of Section 9; and
- (K) State "A" A/C-2 Well No. 72 (**API No. 30-025-28281**), located at a standard gas well location 1410 feet from the South line and 1440 feet from the West line (Unit K) of Section 9.

2. Raptor proposes to re-enter and re-complete the following two infill Jalmat gas wells on this spacing and proration unit:

- (A) The State "A" A/C-2 Well No. 31(**API No. 30-025-08856**), which is currently plugged and abandoned, to be re-entered and re-completed at an unorthodox infill gas well location 1980 feet from the North and West lines (Unit F) of said Section 9; and

(B) The State "A" A/C-2 Well No. 52 (**API No. 30-025-08859**), which is currently plugged and abandoned, to be re-entered and re-completed at an unorthodox gas well location 1980 feet from the North line and 660 feet from the East line (Unit H) of said Section 9.

3. The proposed locations for the State "A" A/C-2 Well Nos. 31, and 52 are 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 480-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 480-acre Jalmat gas spacing and proration unit.

5. Raptor's proposed infill gas wells are necessary to efficiently and economically drain the subject 480-acre spacing and proration unit.

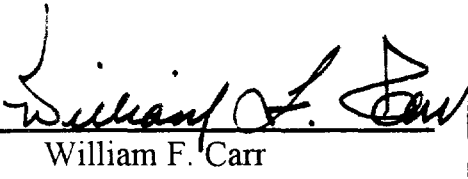
6. Attached hereto as Exhibit A is a list of the names and addresses of persons to whom notice has been sent.

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

WHEREFORE, Raptor Resources, Inc. requests that this amended application be set for hearing before an examiner of the Oil Conservation Division on July 12, 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

ATTORNEY FOR RAPTOR
RESOURCES, INC.

EXHIBIT A

**State "A" A/C-2 Well No. 31
1980' FN&WL (Unit F)
Section 9, Township 22 South, Range 36 East, N.M.P.M.**

**State "A" A/C-2 Well No. 52
1980' FNL & 660' FEL (Unit H)
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**480-acre Non-Standard Jalmat Gas Pool Spacing and Proration Unit
Approved by Division Order No. R-9073**

Conoco, Inc.
10 Desta Drive, Suite 100W
Midland, Texas 79705

Chevron USA Inc.
Attn: WOJV-Business Unit
Post Office Box 1635
Houston, Texas 77251

Finley Resources
1308 Lake Street, Suite 200
Ft. Worth, Texas 76102

Doyle Hartman
Post Office Box 10426
Midland, Texas 79702

Arco Permian
Post Office Box 1610
Midland, Texas 79702-1610

Marathon Oil Company
Mid-Continent Production Office
Post Office Box 552
Midland, Texas 79702

Gruy Petroleum Management Company
Post Office Box 140907
Irving, Texas 75014-0907

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

WFC 44510/31-52

Postage	\$.55
Certified Fee	1.90
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.95

Recipient's Name: Arco Permian
Street, Apt. No., or: Post Office Box 1610
City, State, ZIP+4: Midland, Texas 79702-1610

PS Form 3800, Feb 1999

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Addressed to:

Arco Permian
Post Office Box 1610
Midland, Texas 79702-1610

Article Number (Copy from service label)

20 0000 0001 3124 7085
311, July 1999

Domestic Return Receipt

102595-99-M-1789

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) LORANTON R. RAIN B. Date of Delivery JUN 25 2001
C. Signature [Signature] ☐ Agent ☐ Addressee
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.
4. Restricted Delivery? (Extra Fee) ☐ Yes

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

WFC 44510.0001/31-52

Postage	\$.55
Certified Fee	1.90
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.95

Recipient's Name: Chevron USA Inc.
Street, Apt. No., or: Attn: WOJV-Business Unit
City, State, ZIP+4: Post Office Box 1635
Houston, Texas 77251

PS Form 3800, Feb 1999

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Chevron USA Inc.
Attn: WOJV-Business Unit
Post Office Box 1635
Houston, Texas 77251

2. Article Number (Copy from service label)

72 3000 0000 0001 1635 77251

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-178

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) [Signature] B. Date of Delivery JUN 25 2001
C. Signature [Signature] ☐ Agent ☐ Addressee
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.
4. Restricted Delivery? (Extra Fee) ☐ Yes

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

WFC 44510.0001/31-52

Postage	\$.55
Certified Fee	1.90
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.95

Recipient's Name: Conoco, Inc.
Street, Apt. No., or: 10 Desta Drive, Suite 100W
City, State, ZIP+4: Midland, Texas 79705

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Addressed to:

Conoco, Inc.
Desta Drive, Suite 100W
Midland, Texas 79705

Article Number (Copy from service label)

100 0000 0001 3124 1044

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) [Signature] B. Date of Delivery JUN 25 2001
C. Signature [Signature] ☐ Agent ☐ Addressee
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.
4. Restricted Delivery? (Extra Fee) ☐ Yes

102595-99-M-178

U.S. Postal Service
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WFC 44510.0001/31-52

Postage	\$.55
Certified Fee	1.90
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.95

Recipient's Name: **Finley Resources**
Street, Apt. No.: **1308 Lake Street, Suite 200**
City, State, ZIP+4: **Ft. Worth, Texas 76102**

PS Form 3800, Feb 99

R: COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Write your name and address on the reverse of this card to the back of the mailpiece, or on the front if space permits.

Addressed to:

Finley Resources
1308 Lake Street, Suite 200
Worth, Texas 76102

Number (Copy from service label)

811, July 1999

Domestic Return Receipt

102595-99-M-1789

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

U.S. Postal Service
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WFC 44510/31-52

Postage	\$.55
Certified Fee	1.90
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.95

Recipient's Name: **Gruy Petroleum Management Company**
Street, Apt. No., or: **Post Office Box 140907**
City, State, ZIP+4: **Irving, Texas 75014-0907**

PS Form 3800, Feb 99

COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Write your name and address on the reverse of this card to the back of the mailpiece, or on the front if space permits.

Addressed to:

Gruy Petroleum Management Company
Post Office Box 140907
Irving, Texas 75014-0907

Number (Copy from service label)

811, July 1999

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C. Signature

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If YES, enter delivery address below: ☐ No

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☐ Insured Mail ☐ C.O.D.

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U.S. Postal Service
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WFC 44510/31-52

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Certified Fee	1.90
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.95

Recipient's Name: **Doyle Hartman**
Street, Apt. No.: **Post Office Box 10426**
City, State, ZIP+4: **Midland, Texas 79702**

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

44510/31-52 WFC

Postage \$ 1.55

Certified Fee 1.90

Return Receipt Fee (Endorsement Required) 1.50

Restricted Delivery Fee (Endorsement Required)

Total Postage

3.95

Recipient's

Street, Apt

City, State, Zip

Marathon Oil Company
Mid-Continent Production Of
Post Office Box 552
Midland, Texas 79702

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Marathon Oil Company
Mid-Continent Production Office
Post Office Box 552
Midland, Texas 79702

2. Article Number (Copy from service label)

1000 0000 0000 0000 0000

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

M. Williams

C. Signature

x M. Williams

D. Is delivery address different from item 1? ☐ Yes ☐ No

If YES, enter delivery address below:

3. Service Type

- ☒ Certified Mail ☐ Express Mail
- ☐ Registered ☒ Return Receipt for Merchandise
- ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes