



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 3, 2000

for record only

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

Administrative Order NSP-1808-A (L) (SD)

Dear Mr. Keathly:

Reference is made to the following: (i) your initial application submitted to the New Mexico Oil Conservation Division ("Division") on October 7, 1999; (ii) the Division's response by letter from Mr. Michael E. Stogner, Engineer in Santa Fe, dated November 4, 1999 withdrawing this application; (iii) your re-submittal of this application to the Division on December 9, 1999; and (iv) the Division's records in Santa Fe, including the files on Division Order No. R-9073, as amended, and Division Administrative Order NSP-1808 (L) (SD), as corrected; (v) the two Division directives dated December 22, 1999 and January 5, 2000; (vi) the Division's "NOTICE" to all operators in the Jalmat Pool dated January 11, 2000; and (vii) the Division Director's "MEMORANDUM" to operators and interested parties in the Jalmat Pool dated February 18, 2000: all concerning Raptor Resources, Inc.'s ("Raptor") requests to increase the acreage of the existing 433.06-acre non-standard gas spacing and proration unit ("GPU") for the Jalmat Gas Pool comprising Lots 3 and 4, the N/2 NE/4, SE/4 NE/4, E/2 SW/4, and the SE/4 of Section 7, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, which was established by Division Administrative Order NSP-1808 (L) (SD), dated October 5, 1999, as corrected by order issued on November 4, 1999, by including the 40 acres comprising the SW/4 NE/4 (Unit G) of Section 7 to the GPU and for an additional infill Jalmat gas well within this expanded GPU located at unorthodox gas well locations thereon.

The following five described wells are currently dedicated to this unit 433.06-acre GPU:

- (1) State "A" A/C-2 Well No. 5 (API No. 30-025-08817), located at an unorthodox gas well location 660 feet from the North and East lines (Unit A) of Section 7 {approved by Division Order No. R-9073, dated December 14, 1989 [Paragraph No. (2) of Exhibit "A"]};
- (2) State "A" A/C-2 Well No. 8 (API No. 30-025-08821), located at an unorthodox gas well location 660 feet from the South and East lines (Unit P) of Section 7 (also approved by Division Order No. R-9073);