

June 30, 1999

**Raptor Resources, Inc.**  
**P. O. Box 160430**  
**Austin, Texas 78716-0430**

**Attention: Bill R. Keathly**

*Administrative Order SD-99-\_\_\_\_\_*

Dear Mr. Keathly:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on June 14, 1999; and (ii) the Division's records in Santa Fe: all concerning Raptor Resources, Inc.'s ("Raptor") request for authorization to simultaneously dedicate gas production from the Jalmat Gas Pool within an existing standard 640-acre gas spacing and proration unit ("GPU") comprising all of Section 8, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. This 640-acre GPU was the subject of Division Order No. R-9073, issued in Case No. 9775 and dated December 14, 1989 [Paragraph No. (3) of Exhibit "A"], which order authorized Hal J. Rasmussen Operating, Inc. to simultaneously dedicate thereon the following three wells:

- (1) State "A" A/C-2 Well No. 43 (**API No. 30-025-08837**), located at an unorthodox gas well location 1650 feet from the North line and 990 feet from the East line (Unit H) of Section 8;
- (2) State "A" A/C-2 Well No. 49 (**API No. 30-025-08838**), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 8; and
- (3) State "A" A/C-2 Well No. 56 (**API No. 30-025-08843**), located at a standard gas well location 1980 feet from the South and East lines (Unit J) of Section 8.

By Division Administrative Order NSL-2816 (SD), dated June 28, 1990, the following three wells, all located at unorthodox gas well locations in Section 8, were also approved for the subject GPU:

- (1) State "A" A/C-2 Well No. 24  
(**API No. 30-025-08833**)  
1980' FSL & 660' FEL (Unit I);
- (2) State "A" A/C-2 Well No. 26