Raptor Resources, Inc. Application for Administrative Approval of Unorthodox Well Location and Simultaneous Dedication December 5, 2001 Page 2

in spacing of less than 160 acres per well. The State "A" A/C-2 Well No. 54 was drilled at a standard oil well location to test the Langlie Mattix Pool (Seven Rivers-Queen- Grayburg). Raptor seeks authority to plug back and recomplete this well up-hole in the Jalmat Gas Pool (Tansill-Yates-Seven Rivers).

Raptor Resources, Inc. hereby seeks administrative approval of an unorthodox gas well location for its and the simultaneous of this well and all existing producing Jalmat gas wells on a standard 640-acre spacing unit comprised of said Section 8. The State "A" A/C-2 Well No. 54 was drilled at a standard oil well location to test the Langlie Mattix Pool (Seven Rivers-Queen-Grayburg). Raptor seeks authority to produce this well up-hole in the Jalmat Gas Pool (Tansill-Yates-Seven Rivers).

By Order No. R-9073, issued in Case No. 9775, dated December 14, 1989 (Paragraph No. 3 of Exhibit "A") the Division approved the simultaneous dedication of the following three wells IN section 8 to this standard gas spacing unit:

- 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 West line (Unit H);
- (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); and:
- (3) State "A" A/C-2 Well No. 59 (API No. 30-025-08843), located at a standard gas well location 11980 feet from the South and East lines (Unit J).

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