



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

FOR RECORD ONLY

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

July 6, 1999

Raptor Resources, Inc.
P. O. Box 160430
Austin, Texas 78716-0430
Attention: Bill R. Keathly

Administrative Order NSL-2872-C (SD)

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 an unorthodox Jalmat gas well location in an existing non-standard 480-acre gas spacing and proration unit ("GPU") for the Jalmat Gas Pool comprising the N/2 and SW/4 of Section 9, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. This GPU was established by Division Order No. R-9073, dated December 14, 1989 [Paragraph No. (4) of Exhibit "A"] and had dedicated thereon the following three wells:

- (1) 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;
- (2) 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;
- (3) 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.

By Division Administrative Order NSL-2872, dated September 25, 1990, an additional well for this GPU, the 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 was approved.

By Division Administrative Order NSL-2872-A, dated January 14, 1991, the following four wells all located at unorthodox gas well locations in Section 9 were also approved for the subject GPU: