



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

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

November 8, 1999

Raptor Resources, Inc.
901 Rio Grande
Austin, Texas 78701

Attention: Bill R. Keathly

Re: Administrative applications submitted to the New Mexico Oil Conservation Division ("Division") on October 6 and 7, 1999 for exceptions to the well location requirements provided within the "*Special Rules and Regulations for the Jalmat Gas Pool*", as promulgated by Division Order No. R-8170, as amended, for two unorthodox Jalmat infill gas well locations within an existing non-standard 480-acre gas spacing and proration unit {approved by Division Order No. R-9073, dated December 14, 1989 [Paragraph No. (4) of Exhibit "A")] comprising the N/2 and SW/4 of Section 9, Township 22 South, Range 36 East, NMPM, all in Lea County, New Mexico. The two existing: (i) State "A" A/C-2 Well No. 30 (API No. 30-025-08855), located at an unorthodox Jalmat infill gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 9; and (ii) State "A" A/C-2 Well No. 48 (API No. 30-025-08845), located at an unorthodox Jalmat infill gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 9, are currently completed in the South Eunice-Seven Rivers-Queen Pool at standard oil well locations; however, both are to be plugged back and recompleted up-hole into the Jalmat Gas Pool. This unit is currently simultaneously dedicated to the applicant's State "A" A/C-2 Wells No. 1, 4, 29, 38, 40, 57, 63, 67, and 72.

Dear Mr. Keathly:

On October 21, November 1, and November 3, 1999 the Division received objections from Doyle Hartman, Oil Operator to the subject applications (I believe you were provided copies of these letters).

These two applications will be combined and set for hearing before a Division Hearing Examiner on the next available docket scheduled for December 2, 1999. Please provide adequate notice pursuant to Rule 1207.A(5) of the Division's Rules and Regulations.

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 827-8185.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
Kathy Valdes - OCD, Santa Fe
Doyle Hartman - Midland, Texas
J. E. Gallegos, Legal Counsel for Doyle Hartman - Santa Fe