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AND
CAMPBELL & CARR
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SUITE 1
110 NORTH GUADALUPE
SANTA FE, NEW MEXICO 87501-6525
MAILING ADDRESS
P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208

TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043
www.hollandhart.com

November 28, 2001

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL AFFECTED PARTIES

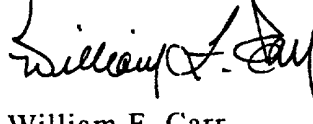
Re: *Application of Raptor Resources, Inc., for administrative approval of an unorthodox well location for its State "A" A/C-1 Well No. 95; 1980 feet from the South line and 660 feet from the West line of Section 11, Township 23 South, Range 36 East, N.M.P.M., Lea County, New Mexico.*

Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the Oil Conservation Division on this date by Raptor Resources, Inc. for administrative approval of an unorthodox well location for its State "A" A/C-1 Well No. 95 (API No. 30-025-09319), located 1980 feet from the South line and 660 feet from the West line of Section 11, Township 23 South, Range 36 East, N.M.P.M., Lea County, New Mexico.

As the owner of an interest which will be affected by the proposed well, you may object to this application. Objections must be filed in writing at the Division's Santa Fe office within twenty days from the date this notice was sent to you. If no objection is received within twenty days after the Division Director receives this application, the unorthodox location may be approved.

Very truly yours,



William F. Carr
Attorney for Raptor Resources, Inc.

Enclosure

cc: Mr. Russell Douglass
Mr. John Lawrence

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☒ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

WILLIAM F. CARR
 Print or Type Name

Signature

Attorney
 Title

11-28-01
 Date

wcarr@westofpecos.com
 e-mail Address

HOLLAND & HART^{LLP}
AND
CAMPBELL & CARR
ATTORNEYS AT LAW

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November 28, 2001

HAND-DELIVERED

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Energy, Minerals and
Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

Re: Application of Raptor Resources, Inc for Administrative Approval of an unorthodox gas well location for its State "A" A/C-1 Well No. 95 (API No. 30-025-09319) at a point 1980 feet from the South line and 660 feet from the West line of Section 11, Township 23 South, Range 36 East, NMPM, and simultaneous dedication of this well and other existing wells to a previously approved 480-acre non-standard Jalmat gas spacing unit, Lea County, New Mexico.

Dear Ms. Wrotenbery:

Pursuant to the provisions of the Special Rules and Regulations for the Jalmat Gas Pool as promulgated by Division Order No. R-8170, as amended, and the Amended Stipulated Declaratory Judgment issued by the First Judicial District Court of Santa Fe County, New Mexico on July 11, 2001, in Hartman v. Oil Conservation Commission (Cause No. D-0101-CV-9902927), Raptor Resources, Inc. hereby files its application for administrative approval of its State "A" A/C-1 Well No. 95 (API No. 30-025-09319) to be re-entered and completed in the Jalmat Gas Pool (Tansill-Yates-Seven Rivers) at location 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 11, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. The approval of this application and the recompletion of this well in the Jalmat Gas Pool will result in spacing of less than 160 acres per well. Raptor also seeks the simultaneous of this well and all existing producing Jalmat gas wells on a

previously approved non-standard 480-acre spacing unit comprised of the N/2 and the SW/4 of Section 11, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.

This non-standard spacing unit was established by Division Order No. R-9073, issued in Case No. 9775, dated December 14, 1989 (Paragraph No. 10 of Exhibit "A") and had dedicated thereon the following three wells in Section 11:

- (1) State "A" A/C-1 Well No. 16 (**API No. 30-025-09309**), located at an unorthodox gas well location 660 feet from the North and East lines (Unit A);
- (2) State "A" A/C-1 Well No. 29 (**API No. 30-025-09310**), located at a standard gas well location 990 feet from the North line and 1650 feet from the West line (Unit C); and:
- (3) State "A" A/C-1 Well No. 34 (**API No. 30-025-09311**), located at a standard gas well location 1650 feet from the South and West lines (Unit K).

By Division Administrative Order NSL-2723, dated December 6, 1989, the following two wells in Section 11 were approved for this gas spacing unit:

- (1) State "A" A/C-1 Well No. 67 (**API No. 30-025-09313**), located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the East line (Unit H); and
- (2) State "A" A/C-1 Well No. 99 (**API No. 30-025-09372**), located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the West line (Unit E).

By Division Administrative Order NSL-2723-A, dated January 29, 1990, another well for this GPU, the State "A" A/C-1 Well No. 62 (**API No. 30-025-09312**), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 11 was approved.

By Division Administrative Order NSL-2723-B, dated September 25, 1990, another well for this GPU, the State "A" A/C-1 Well No. 85 (API No. 30-025-09316), located at an unorthodox gas well location 2310 feet from the North line and West lines (Unit F) of Section 11 was approved.

By Division Administrative Order NSL-2723-C, dated January 18, 1991, another well for this GPU, the State "A" A/C-1 Well No. 103 (API No. 30-025-20493), located at an unorthodox gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 11 was approved.

By Division Administrative Order NSL-2723-D (SD), dated September 16, 1999, another well for this GPU, the State "A" A/C-1 Well No. 58 (API No. 30-025-10107), located at an unorthodox gas well location 1980 feet from the North and East lines (Unit G) of Section 11 was approved.

The Jalmat Gas Pool is governed by Special Pool Rules and Regulations, promulgated by Division Order No. R-8170. Rule 4(b)2 of these rules provides for wells located on 480-acre spacing units to be located no closer than 990 feet from the outer boundary of the spacing unit.

Attached hereto as Exhibits A is a plat which shows the subject 480-acre spacing unit comprised of the N/2 and the SW/4 of Section 11 and the operators of offsetting tracts. Exhibit B is a copy of Oil Conservation Division Form C-102 which shows the location of the proposed unorthodox well location and all other wells currently dedicated to this non-standard spacing unit. Exhibit C is a list of these wells.

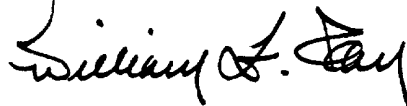
Exhibit D lists the parties affected by this application. A copy of this application, including a copy of the plat described above has been sent to these affected parties by certified mail-return receipt requested in accordance with Rule 1207 (A)(2) advising them that if they have an objection to this application it must be filed in writing with the Division's Santa Fe office within twenty days from the date this notice was sent.

A draft order for your consideration approving this application has been E-mailed to the Division and is enclosed on hard copy and computer disk.

Raptor Resources, Inc.
Application for Administrative Approval of
Unorthodox Well Location and Simultaneous Dedication
November 28, 2001
Page 4

Your attention to this application is appreciated.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is fluid and cursive, with a large initial "W" and a stylized "C".

William F. Carr
Attorney for Raptor Resources, Inc.

Enclosures

cc: Bill Keathly
Regulatory Agent for Raptor Resources, Inc.

Oil Conservation Division-Hobbs

EXHIBIT A	
OFFSET OPERATORS	
Section 11, T 23S, R 36E	
Operator Name	
Arch Petroleum Inc	
Bargo Petroleum Corp	
Conoco Inc	
Doyle Hartman	
Gruy Petroleum Management Co	
Primal Energy Corp	
Roca Production	
Raptor Resources Inc	
Arco Permian	

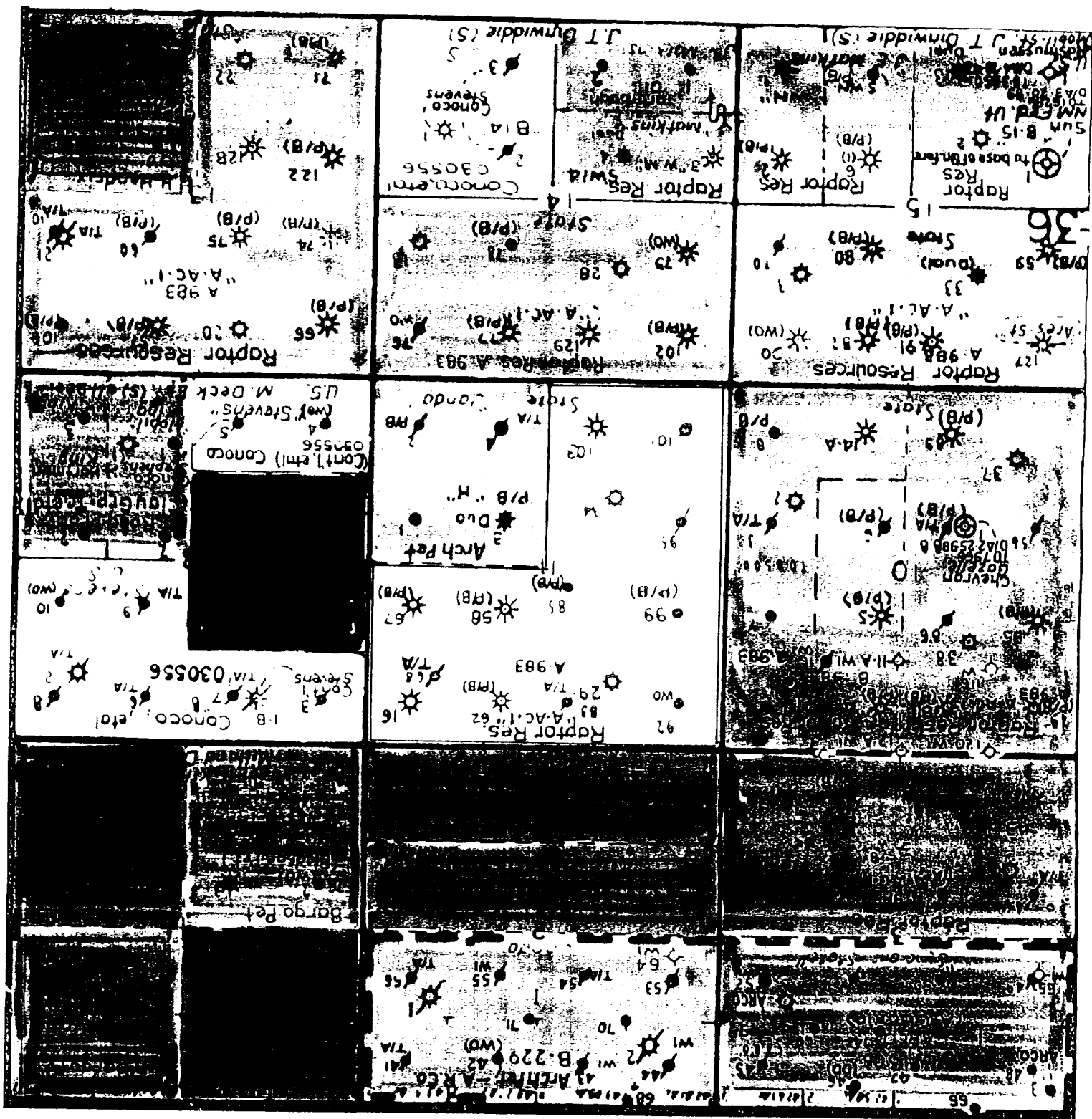


EXHIBIT A

District I
1625 N. French Dr., Hobbs. NM 88240

District II
PO Drawer DD, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd. Aztec, NM 87410

District IV
PO Box 2088, Santa Fe. NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102

Revised February 21, 1994

instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025- 09319	2 Pool Code 79240	3 Pool Name Jalmat Tansill Yates 7 Rvrs (Pro Gas)
4 Property Code 24669	5 Property Name State A A/C 1	6 Well Number 95
7 OGRID No. 162791	8 Operator Name Raptor Resources	9 Elevation

10 Surface Location

UL or lot no. L	Section 11	Township 23S	Range 36E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 660	East/West line west	County Lea
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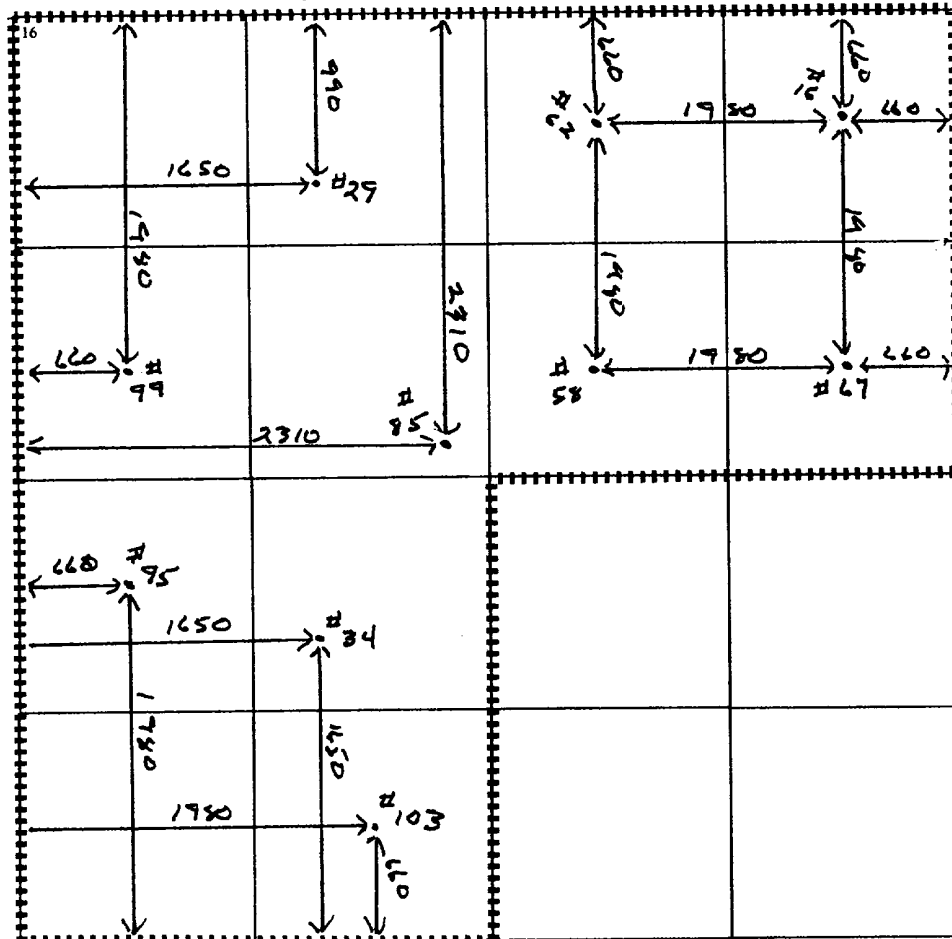
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 480	13 Joint or Infill	14 Consolidation Code	15 Order No.
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Applied For

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Bill R. Keathly
Signature

Bill R. Keathly

Printed Name

Regulatory Agent

Title

10-29-01

Date

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number

EXHIBIT B

EXHIBIT C					
State "A" A/C 1 Well No. 95					
480 acre Non-Standard Jalmat Gas Pool Spacing and Proration Unit					
Township 23 South, Range 36E, N.M.P.M.					
Section 11, 1980' FSL & 660' FWL (Unit L)					
WELL Name	Well No	Status	API No.	Sec/Twp/Rg/UL	Footage from Lease
State "A" A/C 1	16	P	30-025-09309	11 23S 36E A	660' FNL & 660' FEL
State "A" A/C 1	62	P	30-025-09312	11 23S 36E B	660' FNL & 1980' FEL
State "A" A/C 1	29	P	30-025-09310	11 23S 36E C	990' FNL & 1650' FWL
State "A" A/C 1	99	P	30-025-09372	11 23S 36E E	1980' FNL & 660' FWL
State "A" A/C 1	85	P	30-025-09316	11 23S 36E F	2310' FNL & 2310' FWL
State "A" A/C 1	58	P	30-025-10707	11 23S 36E G	1980' FNL & 1980' FEL
State "A" A/C 1	67	P	30-025-09313	11 23S 36E H	1980' FNL & 660' FEL
State "A" A/C 1	34	P	30-025-09311	11 23S 36E K	1650' FSL & 1650' FWL
State "A" A/C 1	103	P	30-025-20493	11 23S 36E N	660' FSL & 1980' FWL

EXHIBIT D
State "A" A/C/ 1 Well No. 95
480 acre Non-Standard Jalmat Gas Pool Spacing and Proration Unit
Township 23 South, Range 36 East, N.M.P.M.
Section 11, 1980' FSL & 660' FWL (Unit L)

Notification of Offset Operators

Arch Petroleum Inc.
P.O. Box 10340
Midland, TX 79702-7340

Arco Permian
P.O. Box 1610
Midland, TX 79702-7340

Bargo Petroleum Corp
700 Louisiana Street, Suite 3700
Houston, TX 77002

Conoco Inc
10 Desta Dr., Ste 100 W
Midland, TX 79705

Gruy Petroleum Management Co.
P.O. Box 140907
Irving, TX 75014-0907

Doyle Hartman
P.O. Box 10426
Midland, TX 79702

Primal Energy Corp
211 Highland Cross
Houston, TX 77073

Roca Production
PO Box 10139
Midland, TX 79702