

By Division Administrative Order NSL-2874-E (SD), dated July 25, 2000, another well for this spacing unit, the State "A" A/C-1 Well No. 128 (API No. 30-025-34876), located at an unorthodox gas well location 1980 feet from the South line and 1830' from the West line (Unit K) of Section 13.

The Jalmat Gas Pool is governed by Special Pool Rules and Regulations, promulgated by Division Order No. R-8170. Rule 2(b) of these rules provides for wells located on 640-acre spacing units to be located no closer than 1650 feet from the outer boundary of GPU.

Attached hereto as Exhibit A is a plat which shows the subject 640-acre non-standard spacing unit comprising the N/2 and the SW/4 of Section 13 and the NE/4 of Section 14, both in Township 23 South, Range 36 East and the operators of offsetting tracts. Exhibit B is a copy of the 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 wells that shows the State "A" A/C-1 Well No. 21, located in Section 13 (Unit letter H) has been plugged and abandoned. 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.

Your attention to this application is appreciated.

Very truly yours,



William F. Carr  
Attorney for Raptor Resources, Inc.

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

Oil Conservation Division-Hobbs

