

RAPTOR RESOURCES, INC.

901 Rio Grande

Austin, Texas 78701

(512) 478-4427

October 26, 1999

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 Pacheco
Santa Fe, New Mexico 87504

RE: Application for Unorthodox Gas Well Locations and Simultaneous Dedication
Jalmat, Tansil Yts 7 Rvrs (Pro Gas)
1650' FSL and 990' FEL
Section 21, T 23S, R 36E (I)
Lea County, New Mexico

Dear Mr. Stogner,

Raptor Resources, Inc. respectfully requests your approval of this administrative application for the subject Unorthodox Gas Well Location and Simultaneous Dedication.

Raptor Resources, Inc. State "A" A/C 1 Well No. 114 is being reclassified from an oil well to a gas well in the Jalmat Tansil Yates 7-Rivers (Pro Gas Pool) effective Jan. 1, 2000 due to well test on the annual GOR. It is our desire to also simultaneously dedicate the existing 480-acre GPU that comprises the SE/4 of Section 20 and the S/2 of Section 21, all in Township 23S, Range 36E, assigned to our well no. 112 to both wells. This GPU is to be reduced by 40 acres to exclude the NW/4 SW/4 Unit L of Section 21, effectively creating a 420-acre GPU. Well no 2 is assigned the 40 acre proration Unit (NW/4 SW/4 Unit L) of section 21 as a producer in the Jalmat Tansil Yates 7-Rivers Oil pool.

The offset operator plat shows that Conoco, Mirage Energy, Chance Properties and Hal J. Rasmussen Oper. Inc. as the offset operators that could be affected by this unorthodox location. Please find enclosed evidence that they have been notified of this application.

In order to prevent waste, Raptor Resources, Inc. respectfully requests your approval of this application for an unorthodox location and simultaneous dedication. A copy of this letter and attachments has been furnished by Certified Mail to the offset operators as their notice of this application.

If you have any questions or require any further information concerning this application, please contact me at (915) 697-1609 or e-mail me at BRKeathly@juno.com.

Sincerely,



Bill R. Keathly
Regulatory Agent for Raptor Resources

Cc: Oil Conservation Division - Hobbs