



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salishbury
Cabinet Secretary

July 19, 2000

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Lori Wrotenberg
Director
Oil Conservation Division

JUL 21 2000

Raptor Resources, Inc.
c/o Campbell, Carr, Berge & Sheridan, P.A.
P. O. Box 2208
Santa Fe, New Mexico 87504-2208
Attention: William F. Carr

CAMPBELL, CARR et al.
Telex No. (505) 983-6043

Administrative Order NSL-2730-D (SD)

Dear Mr. Carr:

Reference is made to the following: (i) your two applications on behalf of the operator, Raptor Resources, Inc. ("Raptor") submitted to the New Mexico Oil Conservation Division ("Division") on June 9, 2000; (ii) the New Mexico Oil Conservation Division's ("Division") records in Santa Fe; (iii) the two Division directives dated December 22, 1999 and January 5, 2000; (iv) the Division's "NOTICE" to all operators in the Jalmat Pool dated January 11, 2000; and (v) the Division Director's "MEMORANDUM" to operators and interested parties in the Jalmat Pool dated February 18, 2000: all concerning Raptor's requests for two unorthodox Jalmat infill gas well locations within an existing non-standard 480-acre gas spacing and proration unit ("GPU") for the Jalmat Gas Pool comprising the NW/4 of Section 14 and the N/2 of Section 15, both in Township 23 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. (12) of Exhibit "A"] and had dedicated thereon the following three wells:

- (1) State "A" A/C-1 Well No. 28 (API No. 30-025-09356), located at a standard gas well location 1650 feet from the North and West lines (Unit F) of Section 14;
- (2) State "A" A/C-1 Well No. 31 (API No. 30-025-10730), located at a standard gas well location 1650 feet from the North line and 990 feet from the East line (Unit H) of Section 15; and
- (3) State "A" A/C-1 Well No. 33 (API No. 30-025-10727), located at a standard gas well location 1650 feet from the North and West lines (Unit F) of Section 15.

By Division Administrative Order NSL-2730, dated December 7, 1989, as amended by order dated September 25, 1990, another well for this GPU, the State "A" A/C-1 Well No. 82 (API No. 30-025-10723), located at an unorthodox gas well location 660 feet from the North line and

1980 feet from the East line (Unit B) of Section 15 was also approved.

By Division Administrative Order NSL-2730-A, dated September 25, 1990, another well for this GPU, the State "A" A/C-1 Well No. 102 (API No. 30-025-20971), located at an unorthodox gas well location 660 feet from the North and West lines (Unit D) of Section 14 was also approved.

By Division Administrative Order NSL-2730-B, dated June 26, 1991, the following three described wells located at unorthodox gas well locations were approved for this GPU:

- (1) State "A" A/C-1 Well No. 59 (API No. 30-025-10725), located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 15;
- (2) State "A" A/C-1 Well No. 79 (API No. 30-025-10712), located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 14; and
- (3) State "A" A/C-1 Well No. 80 (API No. 30-025-10724), located 1980 feet from the North and East lines (Unit G) of Section 15.

The Division's most recent action within this 480-acre GPU was Division Administrative Order NSL-2730-C (SD), dated October 25, 1999, which authorized the following two described wells located at unorthodox gas well locations within this GPU:

- (1) State "A" A/C-1 Well No. 90 (API No. 30-025-10722), located 660 feet from the North line and 990 feet from the West line (Unit A) of Section 15; and
- (2) State "A" A/C-1 Well No. 91 (API No. 30-025-10721), located 660 feet from the North line and 2310 feet from the West line (Unit C) of Section 15.

It is our understanding that the two subject wells to be considered at this time are currently completed in the Langlie-Mattix-Seven Rivers-Queen-Grayburg Pool at standard oil well locations; however, both are to be plugged back and recompleted up-hole into the Jalmat Gas Pool upon issuance of this order.

By authority granted me under the provisions of Rule 2(d) of the "*Special Rules and Regulations for the Jalmat Gas Pool*", as promulgated by Division Order No. R-8170, as amended,