

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. <b>30-045-31192</b>
1. Type of Well: Oil Well   Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator <b>Richardson Operating Company</b>		6. State Oil & Gas Lease No. <b>14-20-603-2172</b>
3. Address of Operator <b>3100 La Plata Highway, Farmington, NM 87401</b>		7. Lease Name or Unit Agreement Name <b>Navajo 35</b>
4. Well Location Unit Letter <b>M</b> : <b>1000</b> feet from the <b>South</b> line and <b>1115</b> feet from the <b>West</b> line Section <b>35</b> Township <b>29N</b> Range <b>14W</b> NMPM <b>San Juan</b> County		8. Well Number #3 9. OGRID Number <b>19219</b>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>5807' GL</b>		10. Pool name or Wildcat <b>Basin Fruitland Coal &amp; W. Kutz PC</b>
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <b>DHC request</b> <input checked="" type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The Navajo 35 #3 is a newly drilled Basin Fruitland Coal/West Kutz Pictured Cliffs well.  
Pursuant to Order R-11363, Richardson Operating Company seeks approval to downhole commingle the "Pre-approved pools and areas": Basin-Fruitland Coal (71629) and West Kutz Pictured Cliffs (79680) in this well.  
The Basin Fruitland Coal is perforated at 1130'; 1167'; 1229' - 1237' and 1243' - 1248', 44 holes.  
The West Kutz Pictured Cliffs is perforated at 1248' - 1251', 6 holes.

Due to the intermingled nature of the pools and since neither pool has enough data to prepare a reliable production forecast or predict the ultimate reserves, therefore, based on production from the surrounding sections, Richardson will allocate production as follows:

Pictured Cliffs Production = 0.50 x Total Production.

Fruitland Coal Production = 0.50 x Total Production.

The downhole commingling will not reduce the value of the total remaining production of this well.

Ownership between the two pools is identical.

A copy of this application has been submitted via Sundry Notice Form 3160-5 to the Bureau of Land Management.



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE C W TITLE Engineering Operations Manager DATE 08/09/2004

Type or print name  
**For State Use Only**

E-mail address: cwilliams@richardsonoil.com Telephone No. 303.830.8000

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 8 DATE AUG - 9 2004

Conditions of Approval (if any):

*operator must supply allocation data.*