

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd. Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

WELL API NO.	30-045-30415
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. (Federal SF-079968)	
7. Lease Name or Unit Agreement Name	ROPCO 5
8. Well No.	#4
9. Pool name or Wildcat	Basin FC/Twin Mounds FR Sand-PC

SUNDRY NOTICES AND REPORTS ON WELLS
(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.)

1. Type of Well:
Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
Richardson Operating Company

3. Address of Operator
1700 Lincoln Street, Suite 1700 Denver, CO 80203

4. Well Location
Unit Letter G : 1520 feet from the North line and 1420 feet from the East line
Section 5 Township 29N Range 14W NMPM San Juan County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
5365' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

12. 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 recompilation.

Pursuant to Order R-11224, Richardson Operating Company seeks permission to downhole commingle the Basin Fruitland Coal (71629) and Twin Mounds Fruitland Sand - Pictured Cliffs (36620) pools.
The Basin Fruitland Coal formation is estimated to be perforated at 702'-708', 755'-765' and 786'-798'. The Twin Mounds Fruitland Sand-Pictured Cliffs formation is estimated to be perforated at 802'-812'.
Refer to the attached Technical Write-up for the allocation method and supporting data.

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

The ownership between the two pools is identical.

Richardson Operating Company has sent a like Sundry Notice to the BLM (Form 3160-5) setting out our intention to downhole commingle this well.

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

SIGNATURE Cathleen Colby TITLE Land Manager DATE 5/21/01

Type or print name Cathleen Colby Telephone No. 303-830-8000

(This space for State use)

Original Signed by STEVEN N. HAYDEN

DEPUTY OIL & GAS INSPECTOR DIST. IV

APPROVED BY _____ TITLE _____ DATE MAY 25 2001

Conditions of approval, if any:

DHC 413A2

**RICHARDSON OPERATING COMPANY
ROPCO #5-4
COMMINGLING APPLICATION**

The ROPCO 5-4 is a newly drilled Basin Fruitland Coal/Twin Mounds Fruitland Sand - Pictured Cliffs well. This is part of Richardson's development program in their WF (West Farmington) field. This is the second Pictured Cliffs and Fruitland Coal well in this section. The WF Federal 5-2 well (Unit K, Section 5, T29N, R14W) was approved for downhole commingling under Administrative Order DHC - 2696, and first delivered March 31, 2000.

Additionally, two Pictured Cliffs wells have been drilled in Section 5. The WF Federal 5-3 well (Unit O, Section 5, T29N-R14W) has been completed in the Pictured Cliffs and first delivered October 1, 2000. The WF Federal 5-1 well (Unit E, Section 5, T29N, R14W) has been completed in the Pictured Cliffs and is currently shut-in, waiting on pumping unit.

Based upon recent Richardson Operating Company wells in this township, it is anticipated that both zones will have similar bottom hole pressures of approximately 200 psi. Both zones produce some water and no liquid hydrocarbons. Neither zone is fluid sensitive and fluids from the two zones are compatible.

Since neither zone has enough data to prepare a reliable production forecast, or predict the ultimate reserves, Richardson Operating proposes to allocate the production based on the initial production rates from the Pictured Cliffs formation. The well will be perforated and stimulated in the Pictured Cliffs formation. The stimulation will then be cleaned up and the well flow tested. The production based on the flow test will establish the Pictured Cliffs base rate. The Fruitland Coal formation will be completed separately but it will be produced with the Pictured Cliffs. The Fruitland Coal production will be the total measured production minus the Pictured Cliffs production.

Assuming a 7% decline rate from the Pictured Cliffs, the proposed allocation formula is as follows:

Pictured Cliffs Production = Pictured Cliffs base rate $\times e^{(-Dt)}$, where $D = 7\%/yr$ and $t =$ time in years since first production.

Fruitland Coal Production = Total Production – Pictured Cliffs production.

State of New Mexico
Energy, Minerals & Mining Resources Department

Form C - 102

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

2000 OCT -2 AM 9:33 ☐ AMENDED REPORT

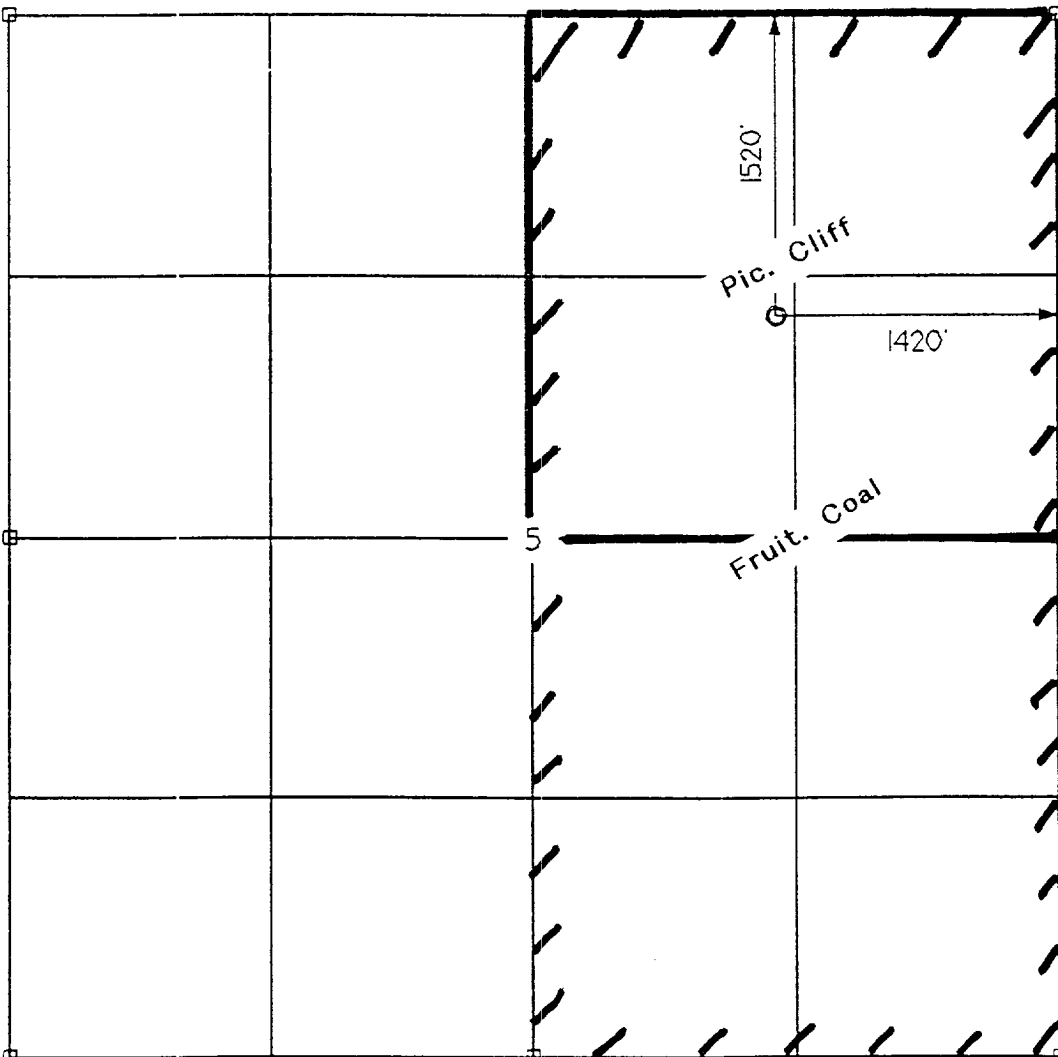
APA Number	Pool Code 71629 & 86620	Pool Name FRUIT. COAL & TWIN MOUNDS PC
Property Code	Property Name ROPCO	Well Number 5 - 4
OGRI No. 019219	Operator Name RICHARDSON OPERATING COMPANY	Elevation 5365'

Surface Location									
UL or Lot G	Sec. 5	Twp. 29 N.	Rge. 14 W.	Lot Lch.	Feet from 1520	North/South NORTH	Feet from 1420	East/West EAST	County SAN JUAN

Bottom Hole Location If Different From Surface									
UL or Lot	Sec.	Twp.	Rge.	Lot Lch.	Feet from	North/South	Feet from	East/West	County

Dedication	Joint ?	Consolidation	Order No.
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NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DMSDN



OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Brian Wood</i> Printed Name: BRIAN WOOD Title: CONSULTANT Date: OCT. 28, 2000	
SURVEYOR CERTIFICATION I hereby certify that the well location 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: REV. SEPTEMBER 2000 Signature and Seal of Professional Surveyor: <i>[Signature]</i> Circular Seal: GERALD E. HUNTER REGISTERED LAND SURVEYOR 6844	