DISTRICT I

District Office

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION	DIVISION
P.O. Box 2088	

Santa Fe, New Mexico 87504-2088

WELL API NO.	
30-045-30523	
5. Indicate Type of Lease	

STATE | FEE L

6. State Oil &	Gas Lease No.
Federal	NMNM-101551
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				Teactar Mann 101551		
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.)			7. Lease Name or Unit Agreement Name NMNM-101551			
1. Type of Well: OIL WELL	GAS WELL	OTHER				
2. Name of Operator				8. Well No.		
Richardson Operat	ing Company			ROPCO 7	7-1	
3. Address of Operator		·		9. Pool name or Wildcat		
3100 LaPlata Hwy	. Farmington,	NM 87401	(505)564-3100	B. Frtlnd Coal/Twin Mounds FS-PC		
4. Well Location					··· ·· · · · · · · · · · · · · · ·	
Unit Letter B	: 1254	Feet From The Nor	Line and 1939	Feet From The <u>East</u> Line		
Section 7	To	wnship 29N	Range 14W	NMPM	San Juan	County
	海 有一个工程的基本	10. Elevation (Show	0. Elevation (Show whether DF,RKB,RT,GR,etc.)			
List and the second		5250' UG				
11.	111- A	to Don to India	-A-N-4	041	L D 4	

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK ALTERING CASING PLUG AND ABANDON REMEDIAL WORK PLUG AND ABANDONMENT COMMENCE DRILLING OPNS. **CHANGE PLANS TEMPORARILY ABANDON** PULL OR ALTER CASING CASING TEST AND CEMENT JOB OTHER: Downhole Commingling Application 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.

Richardson Operating Company proposes to downhole commingle the Basin Fruitland Coal and Twin Mounds Fruitland SD - Pictured Cliffs in this well. Please see the attached for details on downhole commingling these "preapproved pools".

Your consideration of this exception and approval of this application is appreciated.



above is true and complete to the best of my knowledge and belief.

TITLE Agent, PMCI

DATE 9/03/02

TYPE OR PRINT NAME (This space for State Use)

TELEPHONE NO. (505)235-5220

Richardson Operating Company

Downhole Commingling Application

The ROPCO 7-1 is a newly drilled Basin Fruitland Coal/Twin Mounds Fruitland Sand – Pictured Cliffs well. This well is part of Richardson's development program.

Pursuant to Order R-11363, Richardson Operating Company seeks approval to downhole commingle the "Pre-approved pools and areas": Basin Fruitland Coal (71629) and Twin Mounds Fruitland Sand – Pictured Cliffs (86620) pools in this well.

The Basin Fruitland Coal formation is perforated at 420' - 422', 487' - 489' and 536' - 546'. The Twin Mounds Fruitland Sand – Pictured Cliffs formation is perforated at 550' - 560' in this well.

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, Richardson Operating proposes to allocate the production on a 50/50 basis:

<u>Pictured Cliffs Production</u> = $\frac{1}{2}$ x Total Production. <u>Fruitland Coal Production</u> = $\frac{1}{2}$ 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 not identical.

Richardson Operating Company has sent notice to all interest owners in the spacing units by certified mail (return receipt) of their intent to apply for downhole commingling and no objection was received within 20 days of sending the notice.

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