



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

January 22, 2002

Lori Wrotenbery

Director

Oil Conservation Division

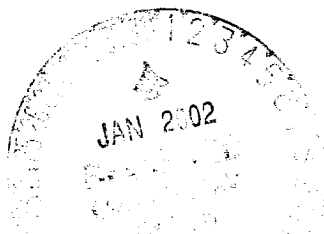
Richardson Operating Company

c/o Permits West, Inc.

37 Verano Loop

Santa Fe, New Mexico 87505

Attention: Brian Wood



Administrative Order NSP-1852

Dear Mr. Wood:

Reference is made to the following: (i) your application on behalf of the operator, Richardson Operating, Inc. ("Richardson"), that was submitted to the New Mexico Oil Conservation Division ("Division") on December 18, 2001 (*application reference No. pKRV0-136544768*); and (ii) the Division's records in Santa Fe and Aztec: all concerning Richardson's request for a non-standard 90.85-acre gas spacing and proration unit consisting of the following acreage in the West Kutz-Pictured Cliffs Pool (79680):

SAN JUAN COUNTY, NEW MEXICO

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM

Irregular Section 18: Lots 3 and 4 and the E/2 SW/4.

This unit is to be dedicated to Richardson's proposed RPC "18" Well No. 3 (API No. 30-045-30943) to be drilled at a standard gas well location, pursuant to Division Rule 104.C (3), 1048 feet from the South line and 724 feet from the West line (Unit N) of Section 18.

This application has been duly filed under the provisions of Division Rule 104.D (2), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Rule 104.D (2) (b), the above-described 90.85-acre non-standard Pictured Cliffs gas spacing and proration unit is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec /