STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

IN THE MATTER OF THE APPLICATION OF RICHARDSON OPERATING COMPANY TO ESTABLISH A SPECIAL 'INFILL WELL' AREA WITHIN THE BASIN-FRUITLAND COAL GAS POOL AS PROVIDED BY RULE 4 OF THE SPECIAL RULES FOR THIS POOL, SAN JUAN COUNTY, NEW MEXICO.

Requested De Novo Review by the Secretary of OCC Case No. 12734 (De Novo)

FINAL DECISION OF THE SECRETARY

THIS MATTER comes before the Secretary of the Energy, Minerals and Natural Resources upon the Hearing Officer's Recommended Decision issued by Tom Mills, Deputy Secretary of the Energy, Minerals and Natural Resources Department on the 1st day of October, 2004. Having considered the Recommended Decision, which is attached hereto as Exhibit 1 and incorporated herein by reference, and the record in this case, and being fully informed in the premises,

THE SECRETARY FINDS AND CONCLUDES:

- The Secretary accepts and adopts the Hearing Officer's statement of the case, the discussion of the case and the Findings and Conclusion, as the Findings and Conclusions of the Secretary.
- 2. The Secretary has jurisdiction over the parties and the subject matter of this case.

 The Recommended Decision is well taken and should be adopted by the Secretary.

IT IS THEREFORE ORDERED:

- A. The Recommended Decision is adopted, approved and accepted in its entirety.
- B. This Order is effective immediately.
- C. A copy of this Order shall be served on all persons listed on the attached certificate of Service
- D. This matter is closed.

RESPECTFULLY SUBMITTED at Santa Fe, New Mexico on this 1st day of October, 2004.

Joanna Phukop, Secretary

Energy, Minerals and Natural Resources Department