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July 25, 1995

**HAND-DELIVERED**

Michael E. Stogner, Chief Engineer  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Re: Oil Conservation Division Case Nos. 11243 and 11247:

Dear Mr. Stogner:

Enclosed is a copy of a letter which I received from Pamela W. Staley, Amoco's Regulatory Affairs Representative in response to your letter of July 12, 1995 concerning the ownership of the tracts involved in the above referenced pooling cases.

If you desire for Amoco to undertake a new title search concerning these properties, please advise.

Very truly yours,

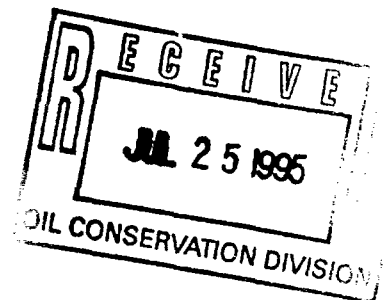


WILLIAM F. CARR  
ATTORNEY FOR AMOCO PRODUCTION COMPANY

WFC:mlh

Enclosures

cc: W. Thomas Kellahin (w/ enclosure)





Facsimile Transmission  
16-717-G (3-92)

Date

7/25

Time Sent

10:00

This transmission  
consists of:

2

pages

TO

Bill Carr

CAMPBELL, CARR &amp; BERGE

SANTA FE

FAX Number

505-983-6043

FAX Operator's Number for Confirmation

FROM

Pam Staley

Amoco

Denver

FAX Telephone Number

Voice Telephone Number

Notes

Bill - let me know if you need anything else. It looks like I'll  
be in Santa Fe By 1 PM tomorrow - at the El Dorado.  
Pam



Southern

Rockies

Business

Unit

July 26, 1995

Mr. William F. Carr  
Campbell, Carr & Berge, P.A.  
P.O. Box 2208  
Santa Fe, New Mexico 87504-2208

RE: Case 11243, Case 11247

Dear Mr. Carr:

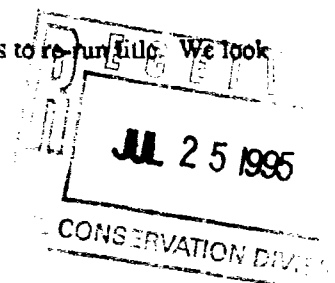
I am writing in response to your request regarding Mr. Michael E. Stogner's letter of July 12 requesting that Amoco clarify the discrepancies in working interest presented at the April 20 hearing. We have reviewed the materials included in Mr. Stogner's letter and it appears to us that between the time that Amoco ran title on these lands and the bearing that Richardson Operating Company acquired additional interest under the lands in question. We have attempted to reconcile the differences, and can only speculate as to what interests that Richardson may have purchased.

Amoco does not dispute Richardson's interest claims. What remains consistent is that Amoco owns a 50% working interest in the Pictured Cliffs formation as compared with Richardson's interest of 30.208%. In the Fruitland Coal Amoco holds 66.6906% working interest as compared to Richardson's 20.124%. Amoco would re-run title on this acreage at the request of the NMOCDC, which would require additional time; however, Amoco would still have a majority interest in the Fruitland Coal. Even if Richardson were to acquire all additional outstanding interest in the Pictured Cliffs, Amoco would never have a minority interest.

Please advise if you need further information or should you require us to re-run title. We look forward to the decision of the NMOCDC in the near future.

Sincerely,

Pamela W. Staley  
Regulatory Affairs Representative



**Comparison between Amoco Production Co. and Richardson Production Co. Working Interests**

SW/4 (PC), W/2 (FC)  
 Section 12-T29N-R13W  
 San Juan County, NM

It appears that between the time that Amoco ran title on this acreage and the hearing (for which the exhibit #9 was prepared by Richardson Operating Company) that Richardson acquired certain interests. This is our estimate of what interests they acquired and *may* be the reason for the discrepancies between the two exhibits.

**Pictured Cliffs (SW/4)**

Richardson Operating Company	8.333%
1/2 Rosalind Redfern Interest	3.125% *
all Estate of John J. Redfern, Jr.	6.250% *
1/2 Jack Markham (owned jointly by Manon Markham McMullen and Roderick Allen Markham	6.250% *
1/2 Estate of John J. Christman, Deceased	6.250% *
<hr/>	
Total ROC Interest	30.208%
Total Amoco Interest	50.000%

Amoco was unable to speculate as to which interests might have been acquired by Richardson in the Fruitland. Presented below is the interest that each company represented at the hearing.

**Fruitland Coal (W/2)**

Total ROC Interest	20.1240%
Total Amoco Interest	66.6906%

\* Partial interests that may have been purchased by Richardson

