



RICHARDSON OPERATING COMPANY

1700 Lincoln, Suite 1700
Denver, Colorado 80203 (303) 830-8000
FAX (303) 830-8009

March 6, 1995

Transmitted via Fax (806) 747-4544

Christmann Mineral Company
1500 Broadway, Suite 800
Lubbock, TX 79401

Re: West Gallegos Prospect
ROPCO Fee 12-4 PC Well
NW/4-Section 12-T29N-R13W
San Juan County, New Mexico

Dear Mr. Christmann:

Richardson Operating Company proposes the drilling of a well to a depth sufficient to adequately test the Pictured Cliffs formation, anticipated total depth being 1,600 feet. The NW/4 of Section 12, Township 29 North, Range 13 West, NMPM will be dedicated as the proration unit for the well.

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Christmann Mineral Company

March 6, 1995

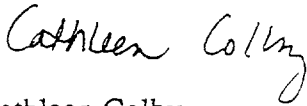
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RICHARDSON OPERATING COMPANY



Cathleen Colby
Land Manager



RICHARDSON OPERATING COMPANY

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ROPCO Fee 12-3 (A) PC, (B) FC Well
SW/4-Section 12-T29N-R13W
San Juan County, New Mexico

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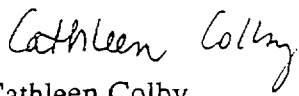
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March 6, 1995

Transmitted via Fax (806) 763-8017

Mr. Rod Markham
Mrs. Manon Markham McMullen
1500 Broadway, Suite 1212
Lubbock, TX 79401

Re: West Gallegos Prospect
ROPCO Fee 12-4 PC Well
NW/4-Section 12-T29N-R13W
San Juan County, New Mexico

Dear Mr. Markham and Mrs. McMullen:

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Mr. Markham and Mrs. McMullen

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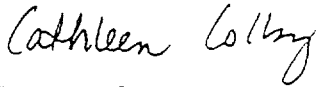
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Cathleen Colby
Land Manager



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Denver, Colorado 80203 (303) 830-8000
FAX (303) 830-8009

March 6, 1995

Transmitted via Fax (405) 270-2248

Mr. John J. O'Brien, Jr.
Kerr-McGee Corporation
P.O. Box 25861
Oklahoma City, OK 73125

Re: West Gallegos Prospect
ROPCO Fee 12-4 PC Well
NW/4-Section 12-T29N-R13W
San Juan County, New Mexico

Gentlemen:

Richardson Operating Company proposes the drilling of a well to a depth sufficient to adequately test the Pictured Cliffs formation, anticipated total depth being 1,600 feet. The NW/4 of Section 12, Township 29 North, Range 13 West, NMPM will be dedicated as the proration unit for the well.

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Kerr-McGee Corporation

March 6, 1995

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RICHARDSON OPERATING COMPANY

A handwritten signature in cursive script that reads "Cathleen Colby".

Cathleen Colby
Land Manager



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Denver, Colorado 80203 (303) 830-8000
FAX (303) 830-8009

March 6, 1995

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Oklahoma City, OK 73125

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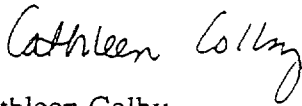
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Land Manager



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FAX (303) 830-8009

March 6, 1995

Transmitted via Fax (915) 682-5639

Mrs. Rosalind Redfern
P.O. Box 2127
Midland, TX 79702

Re: West Gallegos Prospect
ROPCO Fee 12-4 PC Well
NW/4-Section 12-T29N-R13W
San Juan County, New Mexico

Dear Mrs. Redfern:

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Mrs. Rosalind Redfern

March 6, 1995

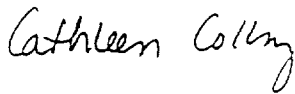
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Denver, Colorado 80203 (303) 830-8000
FAX (303) 830-8009

March 6, 1995

Transmitted via Fax 830-⁴⁷⁷⁷~~4275~~

Ms. Julie Talbot Jenkins
Amoco Production Company
P.O. Box 800
Denver, CO 80201

Re: West Gallegos Prospect
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SW/4-Section 12-T29N-R13W
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Dear Ms. Jenkins:

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Amoco Production Company

March 6, 1995

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RICHARDSON OPERATING COMPANY



Cathleen Colby
Land Manager



RICHARDSON OPERATING COMPANY

1700 Lincoln, Suite 1700
Denver, Colorado 80203 (303) 830-8000
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March 6, 1995

Transmitted via Fax 830-4275⁴⁷⁷⁷

Ms. Julie Talbot Jenkins
Amoco Production Company
P.O. Box 800
Denver, CO 80201

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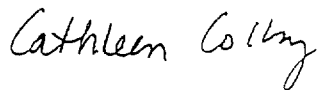
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Cathleen Colby
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RICHARDSON OPERATING COMPANY
AUTHORITY FOR EXPEDITURES

Well Name: ROPCO Fee 12-3 (A) PC. (B) FC SECTION 12 PC SW/4, FC W/2

Location: T29N R13W

Proposed Depth: 1600'

Date: 3/6/95

Objective Formallon: Commingled Pictured Cliffs and
Fruitland Coal

I. Drilling Costs (Included Run Casing)

	Tangible	Intangible	Total	Actual
Survey and Permlts -----		1,500		
Title Opinlon & Land Costs-----		1,500		
Damages-----		1,500		
Drilling (Incl. water and mud) 1600' @ 10.00/ft.---		16,000		
BOP Rental-----		750		
Dirt Work-----		3,000		
Pit Uning-----		1,500		
Surface Casing 200' @ 6.00/ft.-----	1,200			
Casing Head-----	750			
Cement Surface-----		1,500		
Power Tongs-----		1,000		
Casing 1600' @ 5.00/ft.-----	8,000			
Trucking-----		2,000		
Logs-----		4,000		
Engineering-----		1,500		
Cement Longstring-----		4,000		
Total Cost to Run Casing-----	9,950	39,750	49,700	
7% Contingency-----			3,479	
Grand Total to Run Casing-----			53,179	

II. Completion Costs

Rlg Anchors-----		600		
Logs-----		2,000		
Perf-----		4,000		
Wellhead & Fittings-----	4,000			
Tubing 1600' @ 1.50/ft.-----	2,400			
Stimulation-----		48,000		
Tool Rental-----		2,000		
Trucking-----		3,000		
Battery Installation-----		4,000		
Restore Locallon-----		1,500		
Engineering-----		5,500		
Trector-----	5,000			
Flowline-----	5,000			
Tank & Fittings-----	4,000			
Gravel-----		1,000		
Workover Rlg-----		15,000		
Completion Fluids-----		2,000		
El Paso Hookup-----		13,000		
Division Order-----		1,000		
Frac Tank Rental-----		1,000		
Flowback-----		2,000		
Fence Locallon-----	2,000			
Total Completion Costs-----	22,400	105,600	128,000	
10% Contingency-----			12,800	
Drilling Costs-----			53,179	
Grand Total Well Costs-----			193,979	

ROPCO 12-3 (A) PC, SW/4

30.208% RICHARDSON PRODUCTION COMPANY
50.000% AMOCO PRODUCTION COMPANY
6.250% CHRISTMANN MINERAL COMPANY
3.125% RODERICK ALLEN MARKHAM
3.125% MANON MARKHAM MCMULLEN
3.125% ROSALIND REDFERN
4.167% KERR-MCGEE CORPORATION

APPROVED	_____	DATE	_____
APPROVED	_____	DATE	_____
APPROVED	_____	DATE	_____
APPROVED	_____	DATE	_____
APPROVED	_____	DATE	_____
APPROVED	_____	DATE	_____
APPROVED	_____	DATE	_____

ROPCO 12-3 (B) FC, W/2

20.124% RICHARDSON PRODUCTION COMPANY
66.690% AMOCO PRODUCTION COMPANY
4.164% CHRISTMANN MINERAL COMPANY
2.082% RODERICK ALLEN MARKHAM
2.082% MANON MARKHAM MCMULLEN
2.082% ROSALIND REDFERN
2.776% KERR-MCGEE CORPORATION

Date: 3/6/95
Objective Formation: Pictured Cliffs

[illegible]



MAR 07 '95 03:47PM AMOCO 12TH FLOOR 3036304777

Facsimile Transmission
16-717-3 (6-20)

0

CATHLEEN COLBY

RICHARDSON OP. CO.

DENVER

FAX Number

830-8009

FAX Operator's Number for Confirmation

FROM

JULIE JENKINS

AMOCO

DENVER

FAX Telephone Number

Voice Telephone Number

Mail Code

Date 3/7/95 Time Sent 3:45 MST

This transmission
consists of:

1 pages

Notes:



Southern

Rockies

Business

Unit

March 7, 1995

VIA FACSIMILE

830-8009

Cathleen Colby
Richardson Operating Company
1700 Lincoln, Suite 1700
Denver, Colorado 80203

Re: Pictured Cliffs/Fruitland Well Proposals, W/2 Section 12, T29N,R13W,
San Juan County, New Mexico -- Proposed Trade

Dear Cathy:

In further connection with the discussions which you and I have had and that you have had with Greg Grotke regarding Amoco and Richardson entering into some type of exchange of interests involving the above properties, please be advised that Amoco has no interest in any type of sale or exchange of its interests at the present time. If Amoco and Richardson have any discussions in the future regarding any such possible sale or exchange, any offer or acceptance by Amoco will only be effective if set forth in writing in a final definitive contract signed by an attorney-in fact with Amoco who has authority to bind the company (which neither Greg nor I have).

With respect to the parties' respective AFEs, Amoco will also advise Richardson in writing in the near future with regard to Amoco's position.

Sincerely,

Julie Jenkins

cc: Greg Grotke