

NSL 8/3/00



RICHARDSON OPERATING COMPANY

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

# 12478

July 11, 2000

JUL 14

Ms. Lori Wrotenbery  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

Re: Application for Administrative Approval  
Unorthodox Well Location  
WF Federal 3-2 Well  
NW/4SW/4-Section 3-T29N-R14W  
San Juan County, New Mexico

Dear Ms. Wrotenbery:

Richardson Operating Company hereby requests administrative approval for an unorthodox location for the referenced well. Attached for your reference are the following exhibits:

1. Exhibit "A" - Plat showing spacing unit, proposed unorthodox well location and adjoining spacing units and wells
2. Exhibit "B" - Topographic map
3. Exhibit "C" - Well location and acreage dedication plat (Fruitland Coal formation)

The WF Federal 3-2 well was drilled 2495' FSL and 1290' FWL of Section 3, which is a standard location for a Fruitland Coal well, but 145' off the northern outer boundary rather than 660' permitted for a Pictured Cliffs well. With approval, we are interested in completing the well as a downhole commingled Fruitland Coal and Pictured Cliffs well.

The WF Federal 3-2 well will be tied into an existing gathering system in Section 34, T30N-R14W. The requested Pictured Cliffs exception location allows the well to be north of El Paso's high pressure gas lines and north of County Road 6480. Pipeline connection will not require boring under a major county road and interfering with existing pipeline rights-of-way.

The requested exception location will not affect future orderly development of the Pictured Cliffs formation in offsetting spacing units. Currently there is one other Pictured Cliffs well in Section 3. The WF Federal 3-1 well is located 1265' FNL and 1095' FWL, with a distance of 1540' between wells.

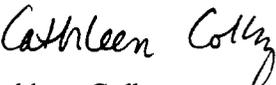
Ms. Lori Wrotenbery  
New Mexico Oil Conservation Division  
July 11, 2000  
Page 2

Notice of this application has given by certified mail to the offsetting operator and mineral lessee, copies of which are attached.

Please advise if you need anything further in this regard.

Sincerely,

RICHARDSON OPERATING COMPANY

  
Cathleen Colby  
Land Manager

Township 29 North, Range 14 West, County San Juan, State New Mexico

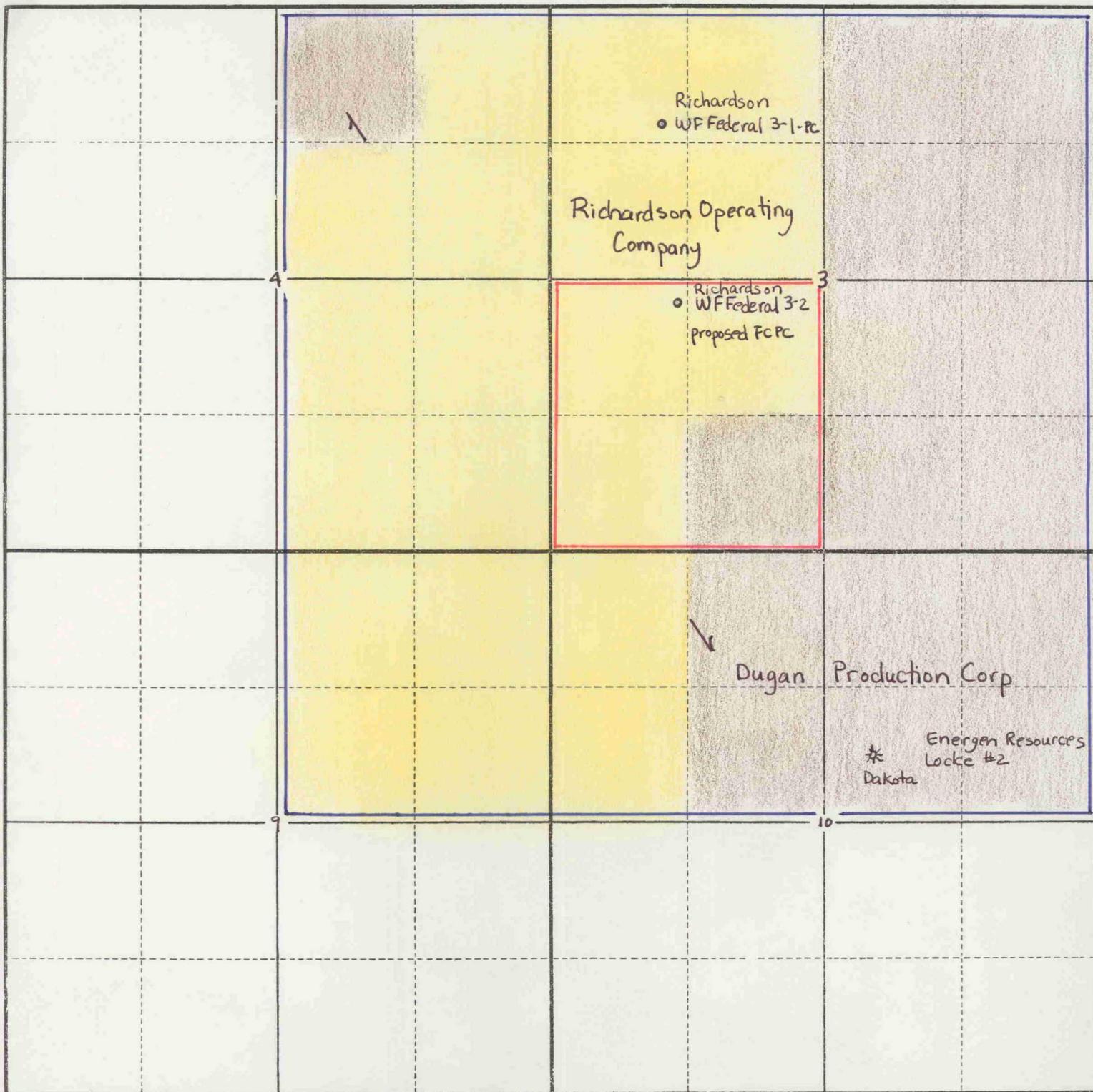
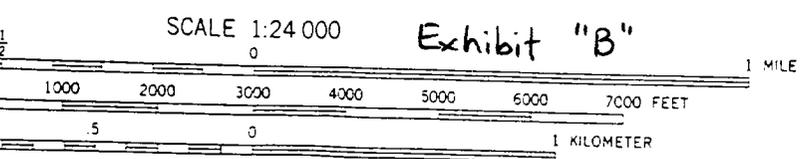
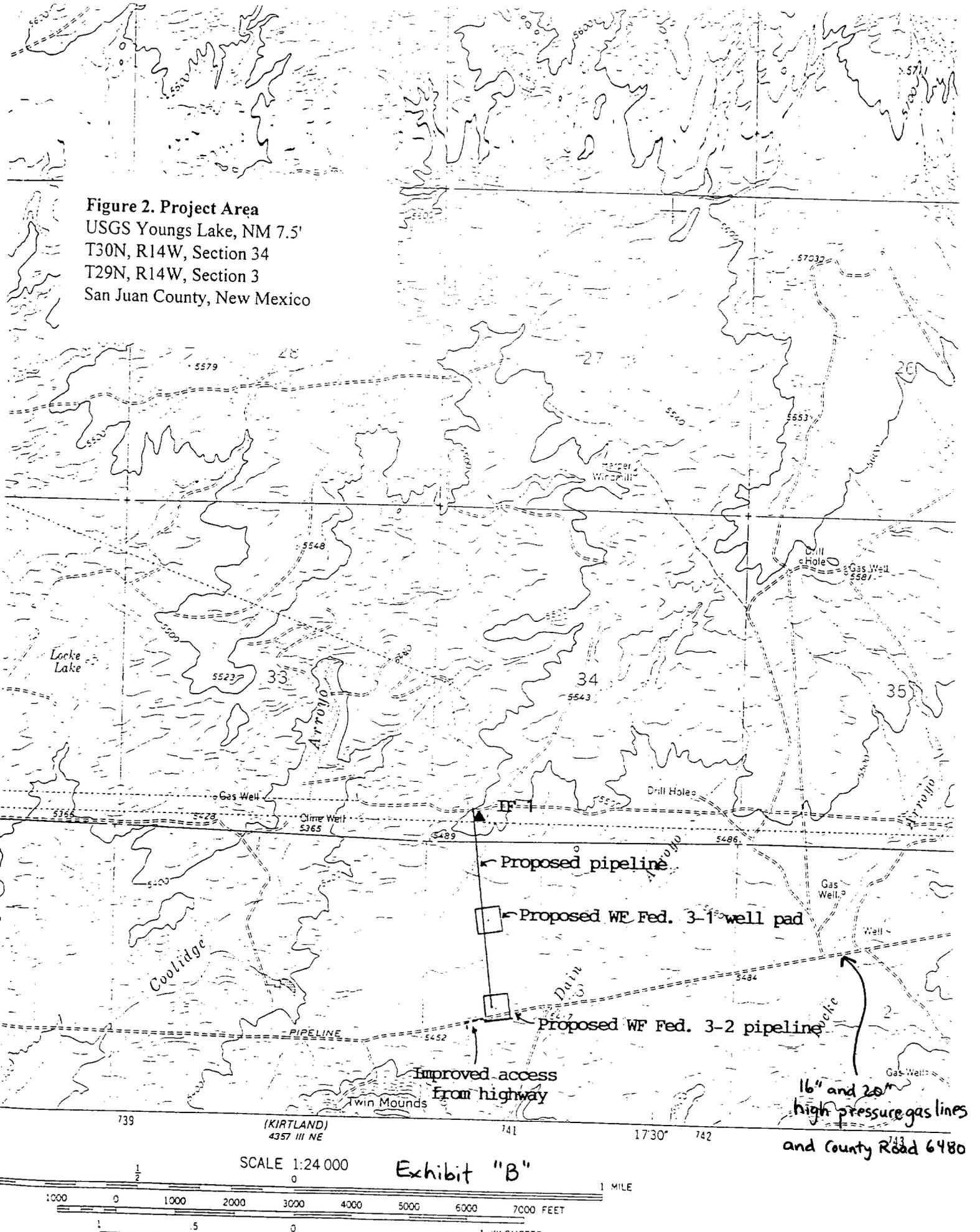


Exhibit "A"

**Figure 2. Project Area**  
 USGS Youngs Lake, NM 7.5'  
 T30N, R14W, Section 34  
 T29N, R14W, Section 3  
 San Juan County, New Mexico



CONTOUR INTERVAL 20 FEET  
 NATIONAL GEODETIC VERTICAL DATUM OF 1929



OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
		71629	BASIN FRUITLAND COAL
Property Code	Property Name		Well Number
	WF Federal		3-2
OCRID No.	Operator Name		Elevation
019219	RICHARDSON OPERATING COMPANY		5435'

10 Surface Location

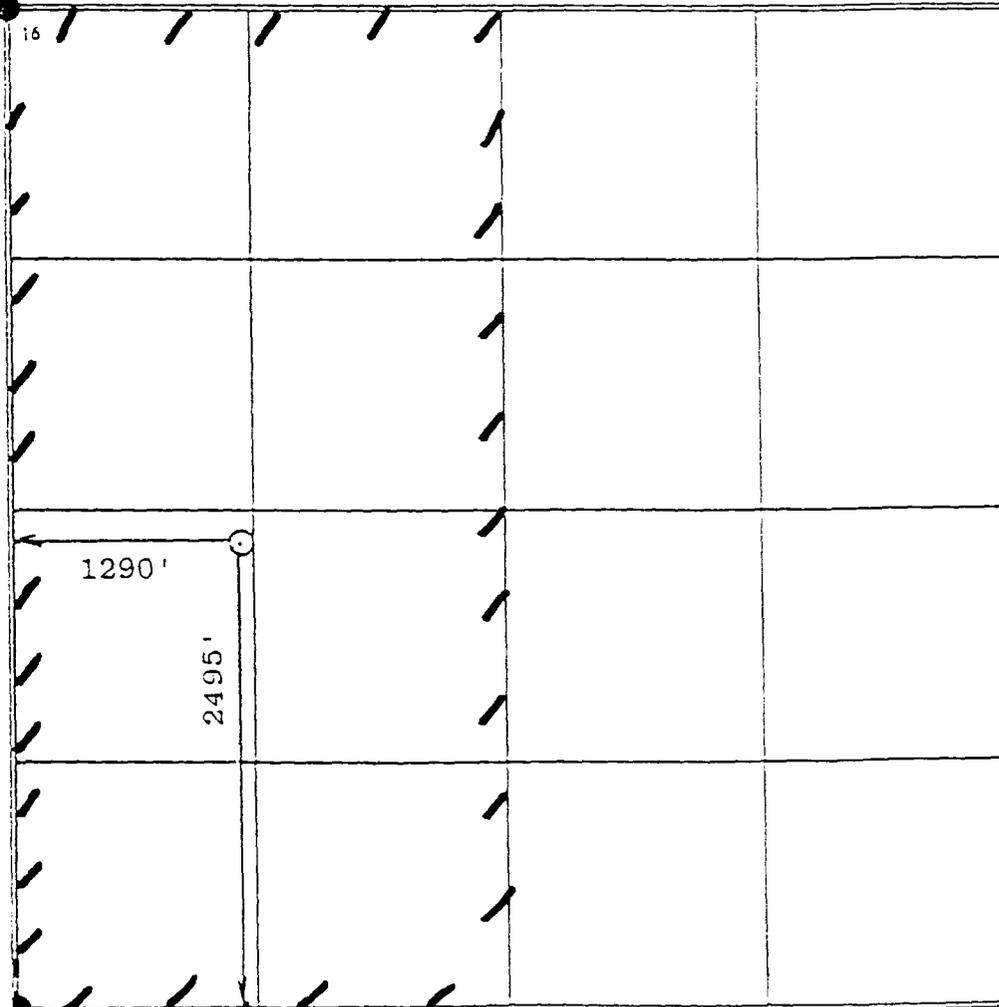
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
L	3	29 N	14 W		2495	South	1290	West	San Juan

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

*Brian Wood*  
Signature **BRIAN WOOD**

Printed Name **CONSULTANT**

Title **MAR. 5, 2000**

Date

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18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief

Date of Survey

Signature of Professional Surveyor

*Gerald S. Hudleston*  
Signature

**GERALD S. HUDLESTON**  
NEW MEXICO  
REGISTERED LAND SURVEYOR  
6844

Certificate Number

Exhibit "C"



RICHARDSON OPERATING COMPANY

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

July 11, 2000

Mr. Kurt H. Fagrelus  
Dugan Production Corp.  
P.O. Box 420  
Farmington, NM 87499-0420

Re: Application for Administrative Approval  
Unorthodox Well Location  
WF Federal 3-2 Well 2495' FSL and 1290' FWL  
NW/4SW/4-Section 3-T29N-R14W  
San Juan County, NM

Certified Mail  
Return Receipt 7000 0520 0023 4373 1311

Dear Mr. Fagrelus:

Richardson Operating Company is making application to the New Mexico Oil Conservation Division for an unorthodox well location due to surface use considerations. A copy of the application is enclosed for your review.

You are being notified as an offset operator that we are moving toward. If you have no objections to the unorthodox well location, please so indicate by signing below and returning one copy of this letter to us by fax and mail (envelope enclosed). In the event you wish to object, you must notify the New Mexico Oil Conservation Commission at 2040 South Pacheco Street, Santa Fe, NM 87505 within 20 days of receiving this notice.

Sincerely,

RICHARDSON OPERATING COMPANY

Cathleen Colby  
Land Manager

Dugan Production Corp. waives objection to the unorthodox well location described above this \_\_\_\_\_ day of July, 2000.

By: \_\_\_\_\_

Title: \_\_\_\_\_