

RICHARDSON PRODUCTION COMPANY

1700 Lincoln, Sulte 1700 Denver, Colorado 80203 (303) 830-8000 Fax (303) 830-8009

March 15, 2002

Ronald Elkins 1539 East Elmwood Circle Mesa, AZ 85203

> Certified Mail 7000 1670 0011 3736 5276 Return Receipt Requested

RE: Pictured Cliffs Well Proposal F-RPC 21-2 NW/4 Section 21, Township 29 North, Range 13 West San Juan County, New Mexico

Dear Mr. Elkins:

Richardson Production Company ("Richardson") proposes to drill a Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a net acre unleased mineral interest within the spacing unit. The well will be located in the NW/4 of Section 21, Township 29 North, Range 13 West. The spacing unit for the Pictured Cliffs formation will be the NW/4 of Section 21.

Enclosed for your review is an Authority for Expenditure ("AFE") itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by April 2, 2002, Upon receipt of you executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% non consent penalty and \$5000 drilling/\$500 producing overhead rates. Should you elect to participate Richardson wants you to be aware not only are you participating in the drilling and completing of the well, but also the operating costs of the well, including all plugging liabilities when the well is abandoned.

In the event you do not wish to participate, Richardson respectfully requests you elect one of the following options as to your interest:

12854

Fruitland Coal and Pictured Cliffs Well Proposal Mr. Ronald Elkinsp Page 2

1. Enter into an oil and gas lease that provides for a five year primary term with bonus consideration based on \$50.00 per net acre and a 12.5% royalty in the event of production. An Oil and Gas

March 15, 2002

Lease is enclosed for your execution should you choose this option. 2. Sell all of your mineral interest for \$100.00 per net mineral acre.

Your response is respectfully requested by .

Should you have any questions, please contact me at either the letterhead address, by telephone at (303)

Very truly yours,

Read and & Durkinger,

Rebecca E. Van Blaricom Land Manager

On this	- day of
	Participate in the proposed drilling and completion attempt, executed AFE is returned herewith. Enter into Oil and Gas Lease for \$50.00 per net mineral acre, with lease to provide for a five year primary term and a 12.5% royalty in the event of production.
APLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
ms 1, 2, and 3. Also complete incted Delivery is desired. me and address on the reverse an return the card to you. ard to the back of the mailpiece, it if space permits.	A. Becelved by (Please Print Clearly) B. Date of Delivery A. Becelved by (Please Print Clearly) B. Date of Delivery C. Signature, Image: Agent X. Con Image: Addressee D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
onald Elkins 539 East Elmwood Circle Iesa, AZ 85203	3. Service Type
	4. Restricted Delivery? (Extra Fee)
Copy from service label)	36 5276
· ≺ooo Domestic R	turn Receipt 102595-00-M-0952

deu of	owing:
On this day of, 2002, we recommend	avecuted AFE is returned
On this day of, 2002, and completion at Participate in the proposed drilling and completion at	itempt, executed A: 2 and
herewith.	include for a
here there for \$50.00 per net min	ineral acre, with lease to provide for a
herewith. Enter into Oil and Gas Lease for \$50.00 per net min five year primary term and a 12.5% royalty in the even	vent of production.
five year primary term and a	
Sell mineral rights for \$100.00 per net mineral acre.	•
	·•··
	L L Convice
ER: COMPLETE THIS SECTION COMPLETE THIS SECTION ON GENERAL	U.S. Postal Service CERTIFIED MAIL RECEIPT
Deter Items 1, 2, and 3. Also complete A. Received by (Please Print Nearly) B. Date ((Domestic Mail Only; No Insurance Coverage Provided)
4 If Restricted Delivery is desired.	(Dumoon
hat we can return the card to you.	The second se
the front if space permits.	Postage \$
Addressed to:	and the second
649.50 850 Ear	Certiles as Here
A PLANT A PLANT ALLANT ALLANT A	Beium Receipt Red Endorsement Required
	Regincied Cellysty Fee Enclaragement Resulted
CONTRACTOR OF A	
	Pikins and Lawre Human
のです。Committed Weiter 84097 Table 27 All State	
Ellinsured Mail El C.O.D.	
	5 1050 East 700 Tables Siries Orem, UT 84097

On this day	y of, 2002, we/I elect the followi	ng:
	ticipate in the proposed drilling and completion atter ewith.	npt, executed AFE is returned
Entropy Entrop	ter into Oil and Gas Lease for \$50.00 per net minerate year primary term and a 12.5% royalty in the event	al acre, with lease to provide for a of production.
Sei	ll mineral rights for \$100.00 per net mineral acre.	
IDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	Postal Service
omplete items 1, 2, and 3. Also complete am 4 if Restricted Delivery is desired. rint your name and address on the reverse that we can return the card to you.	A. Received by (Please Print Clearly) B. Date of Delivery	RTIFIED MAIL RECEIPT estic Mail Only; No Insurance Coverage Provided)
on the front if space permits.	C. Signature X Casy Ellens DAgent	
licie Addressed to:	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No	Postage \$
	1	Certilied Fée Postmark
Richard Elkins and Cassandra Elkins		(urn Receipt Fee Here Here

23115 Summers Drive

Apt.

ate, 2

🖾 Yes

San Antonio, TX 78258

int your name) that we can n tach this card on the front if licie Addressed **Richard E** 23115 Summers Drive Ited Delivery Fee lement Required) San Antonio, TX 78258 3. Service Type Certified Mail Express Mail Post Richard Elkins and Cassandra Elkins Heturn Receipt for Merchandise C Registered

C.O.D.

C Insured Mail

4. Restricted Delivery? (Extra Fee)

te Number (Copy from service label) On mm 11 min

~~	•	1	2021	enr.	

a second a s	- A set following:	
On this day of	, 2002, we/l elect the following:	executed AFE is returned
herewit	n.	re with lease to provide for a
five ve	ar primary term	roduction.
Sell m	ineral rights for \$100.00 per net mineral acre.	
ENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.	COMPLETE THIS SECTION ON DELIVERY A. Received by (Please Print Clearly) B. Date of Delivery P-ZO C. Signature D. Agent	5. Postal Service RTIFIED MAIL RECEIPT mestic Mail Only; No Insurance Coverage Prov
item 4 if Restricted Delivery is dealed. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to:	C. Signatore C. Signatore X Out Elkno D. Is delivery address different from Item 1? Yes If YES, enter delivery address below: No	Postage \$
Forrest Elkins and Patricia Elki		Return Receipt Fee H Inserment Required) Inserment Required) Incled Delivery Fee Inserment Required)
San Matheceived MA	3. Service Type 3. Service Type □ Certified Mail □ Contract Mail □ Insured Mail □ C.O.D. 4. Restricted Delivery? (Extra Fee) □ Yes	ALP Forrest Elkins and Patricia Elkins 1303 Lacy Lane Alt A San Marcus, TX 78666

On this	day of, 2002, we/l elect the following:
	Participate in the proposed drilling and completion attempt, executed AFE is returned herewith.
	Enter into Oil and Gas Lease for \$50.00 per net mineral acre, with lease to provide for a five year primary term and a 12.5% royalty in the event of production.
	Sell mineral rights for \$100.00 per net mineral acre.
DER. COMPLETE THIS SECTION omplete items 1, 2, and 3. Also complete int your namé and address on the rew that we can return the card to you. trach this card to the back of the mail on the front if space permits. tide Addressed to:	Perse Diece, D. Is delivery address different from item 1? If YES, enter delivery address below: If YES, enter delivery address bel
⁷ irst National Bank Iowa City, Io O4 West Washington owa City, IA 52244 icle Number (Copy from service label) 7000 1670 001	

e anna an t-air an t-		
On this da	day of, 2002, we/l elect the following:	
he	Participate in the proposed drilling and completion attempt, executed AFE is returned herewith.	
E:	Enter into Oil and Gas Lease for \$50.00 per net mineral acre, with lease to provide for a five year primary term and a 12.5% royalty in the event of production.	
Se	Sell mineral rights for \$100.00 per net mineral acre.	
DER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
omplete items 1, 2, and 3. Also complete im 4 if Restricted Delivery is desired. int your name and address on the revers that we can return the card to you. tach this card to the back of the malipled on the front if space permits.	rse $K_{RE} \wedge d \neq K_{E1} + 3 - 20$ C. Signature ece, $K_{RE} \wedge d \neq K_{E1} + 3 - 20$ C. Signature $K_{RE} \wedge d \neq K_{E1} + 3 - 20$ (Domestic Mail Only; No Insurance Co	PT _{rerage} Provided)
icle Addressed to:	A. is delivery address different from item 1? If YES, enter delivery address below: Postage A Gartified Fee	Posima/k
City of Farmington 800 Municipal Drive Farmington, NM 87401	Return Receipt Fee (Endorsement Haquited)	Hère de la companya de la
Farmingwii, ivizi 07404	3. Service Type 3. Service Type 4. Restricted Delivery? (Extra Fee) 3. Service Type 5.	+
cle Number (Copy from service label) 1000 1670 0011	Si Farmington, NM 6/401	

On this	_day of	, 2002, we/I elect the following:		
	herewith.	n the proposed drilling and completion attempt		
	Enter into (five year pr	Dil and Gas Lease for \$50.00 per net mineral a imary term and a 12.5% royalty in the event of	acre, with lease to provide for a production.	
	Sell minera	rights for \$100.00 per net mineral acre.		
		a and a second secon	t :	
DER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	Postal Service	
Omplete items 1, 2, and 3. Also comp om 4 if Restricted Delivery is desired. rint your name and address on the re- o that we can return the card to you. ttach this card to the back of the main r on the front if space permits.	verse	A Beceived by (Prease Print Clearly), B. Date of Delivery C. Signature X. C. Signature X. C. C. Signature	RTIFIED MAIL RECEIPT estic Mail Only; No Insurance Coverage	e Provided)
rticle Addressed to:		D. Is delivery address different from item 1? 44es	Postage \$	ľ
Wells Fargo Bank, N.A.			Certified Fee	Posimark Here
4601 East Main, Suite #1 Farmington, NM 87402	Ī	3. Service Type 3. Service Type 4. Service Type 4	Wells Fargo Bank, N.A.	
· .		4. Restricted Delivery? (Extra Fee)	4601 East Main, Suite #1	
ticle Number (Copy from service label) 7000 1670 00	011 33	36 5115	Farmington, NM 87402	Itester

Sell mineral rights for \$100.00 per net mineral acre.

COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DULIVERY	Postal Service
te items 1, 2, and 3. Also complete f Restricted Delivery is desired. Aur name and address on the reverse	A. Received by (Please Print Clearly) B. Date of Delivery	RTIFIED MAIL RECEIPT
we can return the card to you. this card to the back of the malipiece, is front if space permits.	C. Signature	
ddressed to:	D. is delivery address different from item 1? Yes If YES, enter delivery address below: No	Postagė \$
Mr. William R. Amos, Trustee 610 West Animas		Certified Fee Postnark Here Here
Farmington, NM 87401	3. Service Type Greatified Mail Greatified Mail Greater Greater Mail Greater Greater Mail Insured Mail G.O.D.	ITO Mr. William R. Amos, Trustee
	4. Restricted Delivery? (Extra Fee)	610 West Animas
umber (Copy from service label) Mann / G 70 00/ /	3736 5108	Farmington, NM 87401
	INDEDE ON MANDED	prin 3800, May 2000

Re COMPLETE THIS SECTION plete items 1, 2, and 3. Also complete 4 If Restricted Delivery is desired. your name and address on the reverse at we can return the card to you.	COMPLETE THIS SECTION ON DELIVERY A. Received by (Please Print Clearly) B. Date L'I'LI'M E.S. LER LOCK 03 C. Signature	U.S. Postal Service CERTIFIED MAIL RECE (Domestic Mail Only; No Insurance Co	
n this card to the back of the mailpiece, the front if space permits.	D. Is delivery address different from item 1?		
Addressed to:	If YES, enter delivery address below:	Postage \$	1
Dr. William A. Hall	E T	Certified Fee Return Receipt Fee (Endorsement Required)	Postmark Here
416 North Behrend Farmington, NM 87401	3. Service Type	Restricted Delivery Fee (Endorsement Required)	
	Registered E Return Receipt for M Insured Mail C.Q.D. A. Restricted Delivery? (Extra Fee)	To Dr. William A. Hall	
Number (Conv from service label)		Stree 416 North Behrend Farmington, NM 87401	

ð

On this	day of	, 2002,	we/l elect the fo	llowing:	
	Participate herewith.	e in the proposed drilling	and completion	attempt, ex	ecuted AFE is returned
		Oil and Gas Lease for \$ primary term and a 12.5%			, with lease to provide for a duction.
	Sell miner	al rights for \$100.00 per	net mineral acre	.	
			<u>.</u>	<u>z 4</u> +	
DER: COMPLETE THIS SECTI	ON	COMPLETE THIS SECTION	ÓN DELIVERY		
and the second sec			CHULTULI		
omplete items 1, 2, and 3. Also c m 4 if Restricted Delivery is desi int your name and address on th that we can return the card to y tach this card to the back of the on the front if space permits.	red. e reverse	A. Received by (Please Print C. Signature	Clearly) B. Date of	f Delivery est	ostal Service FIFIED MAIL RECEIPT ic Mail Only; No Insurance Coverage Provided)
If a in restricted Delivery is desint nt your name and address on the that we can return the card to y ach this card to the back of the on the front if space permits.	red. e reverse	A. Received by (Please Print C. Signature X b. is delivery address different If YIS: enter delivery address	Clearly) B. Date of	f Delivery est gent ddressee as o	Postage ertified Fee
ate of New Mexico Highway	red. e reverse ou. mailpiece,	A. Received by (Please Print C. Signature X. Stature Is delivery address differen If YES, anjer delivery addr MAR 2 0 20	Clearly) B. Date of	f Delivery gent ddressee o o	Postage Secelpt Fee Postment
The arrived Delivery is deal nt your name and address on the that we can return the card to y ach this card to the back of the on the front if space permits. Cle Addressed to: Ate of New Mexico Highway D Box 1149	red. e reverse ou. mailpiece,	A. Received by (Please Print C. Signature X is delivery address different If YPS: enter delivery address MAR 2 0 20 3. Service Type As - 8	Clearly) B. Date of Al Mornitiem 1? D Ye ress below: D Ne JO2	f Delivery gent ddressee 35 0 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	IFIED MAIL RECEIPT ic Mail Only: No Insurance Coverage Provided) Postage ertified Fee Receipt Fee
int your name and address on the that we can return the card to your that we can return the card to your that we can be the the that we can be the the the the the the the the the th	red. e reverse ou. mailpiece,	A. Received by (Please Print C. Signature X is delivery address different If YDS: enter delivery addr MAR 2 0 20 3. Service Type As _ B Certified Main	Clearly) B. Date of Al Al Mornitem 1? D Ye ress below: D Ne JO2 Dress Mall furn Receipt for Merc	f Delivery gent ddressee as o c urn F amen sed D amen sed D	Postage ertified Fee Postment Here Postment

,



To:	Mike	Sullivan	From:	Rebecca Van Blari	icom
Fax:	505-	-599-1299	Pages	s: 10	
Phone	R		Date:	3/19/02	
Re:	W/2	Section 21-T29N-R	13W	[Click here and typ	pe name]
x Urge	ont	For Review	🗆 Please Comment	🗆 Please Reply	🗆 Please Recycle

Mike,

Kitty Wood, Permits West, requested I facsimile the package I sent via Certified Mail on Monday, March 18, 2002 regarding the drilling by Richardson Production Company of the F-RPC 21-2 located in the NW/4 Section 21-T29N-R13W as a Pictured Cliffs formation completion and the F-RPC 21-3 located in the SW/4 Section 21-T29N-R13W as a commingled Pictured Cliffs – Fruitland Coal formation completion.

If you have any questions I can be contacted at (303) 830-8000 or by e-mail at <u>rvanblaricom@richardsonoil.com</u>.

RICHARDSON PRODUCTION COMPANY

Rebecca E. Van Blaricom

Land Manager

Post-It™ brand fax transmittal n	nemo 7671 # of pages > //)
To Kuta	From Becky
Co. 0	Co. 0
Dept.	Phone #
Fax # 505 4466 - 9682	Fax#