



9/9/02
30

ENGINEER MS

LOGGED IN RW

TYPE NSL

APP NO. 225331658

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505

ABOVE THIS LINE FOR DIVISION USE ONLY

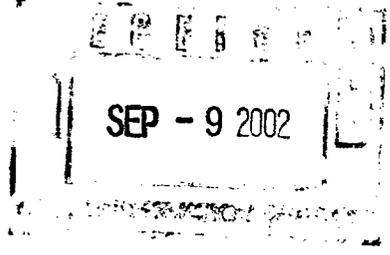
ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____



- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or _ Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name	Signature	Title	Date
BRIAN WOOD (505) 466-8120 FAX 466-9682		CONSULTANT	9-9-02
			e-mail Address brian@permitswest.com

REQUEST FOR ADMINISTRATIVE APPROVAL FOR NON-STANDARD LOCATION
FOR RICHARDSON OPERATING CO.
NV NAVAJO 28 #2 GAS WELL
240' FNL & 1940' FWL SEC. 28, T. 29 N., R. 14 W., SAN JUAN COUNTY, NM

I. The well is on Navajo Tribal Trust surface and on Navajo Tribal Trust oil and gas lease 14-20-603-2168. The proposed location is non-standard for the West Kutz Pictured Cliffs due to land use (irrigated center pivot NAPI field). The well must be at least 660' from all quarter section lines. This proposed well is 240' from the north line of Section 28. Thus, it is 420' too far north. It is non-standard to the southwest quarter of Section 21. Richardson controls the Pictured Cliff rights to the north on its Navajo Tribal Trust lease 14-20-603-2199 and already has filed APDs for standard locations in Section 20 and 21. The NV Navajo 20 #4 is 3,423' northwest at 1975 FSL & 670 FEL 20-29n-14w. The NV Navajo 21 #3 is 2,263' north at 1660 FSL & 710 FWL 21-29n-14w. The NV Navajo 21 #4 is 3,268' northeast at 1780 FSL & 770 FWL 21-29n-14w. The NV Navajo 28 #2 APD (Exhibit A) is attached.

II. A C-102 (Exhibit B) showing the well location and pro ration unit (dashed line marking the northwest quarter = 160 acres) for the Pictured Cliffs is attached. Richardson's lease 14-20-603-2168 (= solid line) is shown on the attached copy (Exhibit C) of the Kirtland USGS topo map. The well is 1,940' from the closest non-Richardson operated lease.

III. According to NM Oil Conservation Records; there is no production from the Pictured Cliffs within a minimum 2,298' radius. Closest such well is Richardson's NV Navajo 28 #1 at 1570' FNL & 1465' FEL 28-29n-14w. A copy of the Kirtland 7.5' USGS map (Exhibit D) is attached showing the proposed well site, existing producing wells (5 Gallup oil wells or water injection wells, 3 Pictured Cliffs and/or Fruitland {all Richardson}), and 7 plugged and abandoned wells within a mile. Richardson is the operator of all leases within a minimum 1,940'. A registered letter was sent on September 9, 2002 to the only affected interest owner (Navajo Nation Minerals Department). A copy of the receipt will be provided.

IV. A copy of the Kirtland USGS map is attached (Exhibit E). The proposed

well site is marked. Pictured Cliffs pro ration unit (solid line) is all of the northwest quarter of Section 28, which is 160 acres in size. A dotted line marks the standard drilling window. Existing pro ration units for the Pictured Cliffs are similarly depicted. The southwest quarter of Section 28 and all of Section 29 are currently unleased Tribal minerals.

V. Land use forces a non-standard location. The entire drilling window is covered by a center pivot irrigated NAPI field (see air photograph Exhibit F).

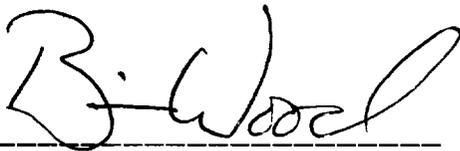
VI. Archaeology is not an issue.

VII. The non-standard location is requested because of surface conditions. All of the drilling window (see air photo Exhibit F) is in an irrigated field.

VIII. Directional drilling is not a feasible for such a shallow well.

IX. I hereby certify that notice has been sent to the following lessees, lessors, operators of spacing units, or owners of undrilled leases which adjoin the applicant's spacing unit on one or more of the two sides or the single closest corner to the proposed well and that the information is current and correct:

Navajo Nation Minerals Department



Brian Wood, Consultant

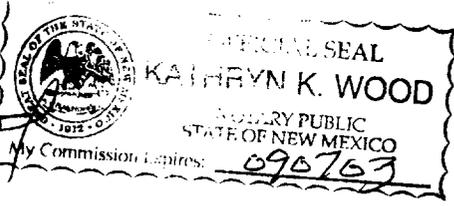
September 9, 2002

Date

STATE OF NEW MEXICO)
) SS:
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this 9th day of September, 2002 by Brian Wood. Witness my hand and official seal.


Notary Public



My Commission Expires: 09-07-03

Business Address: 37 VERANO LOOP, SANTA FE, NM 87508

cc: Aztec OCD, BLM, Richardson

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Richardson Operating Co. (303) 830-8000

3. ADDRESS AND TELEPHONE NO.
 1700 Lincoln St., Suite 1700, Denver, Co. 80203

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 240' FNL & 1940' FWL
 At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 5 air miles SW of Farmington

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 240'
 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 210'

16. NO. OF ACRES IN LEASE 1,440
 19. PROPOSED DEPTH 1,200'

17. NO. OF ACRES ASSIGNED TO THIS WELL 160
 20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5,600' ungraded
 22. APPROX. DATE WORK WILL START* Upon Approval

5. LEASE DESIGNATION AND SERIAL NO.
 14-20-603-2168

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 Navajo

7. UNIT AGREEMENT NAME
 N/A

8. FARM OR LEASE NAME, WELL NO.
 NV Navajo 28 #2

9. AM WELL NO.

10. FIELD AND POOL OR WILDCAT
 W. Kutz PC Ext.

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 28-29n-14w NMPM

12. COUNTY OR PARISH 13. STATE
 San Juan NM

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	K-55 7"	20	120'	~36 cu. ft. & to surface
6-1/4"	K-55 4-1/2"	10.5	1,200'	~220 cu. ft. & to surface

EXHIBIT A

cc: BIA, BLM, Kenson, NAPI, OCD (via BLM), Tribe, Van Blaricom

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE Consultant (505) 466-8120 DATE 3-14-02

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon
 CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

State of New Mexico
 Energy, Minerals & Mining Resources Department
 OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C - 102

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

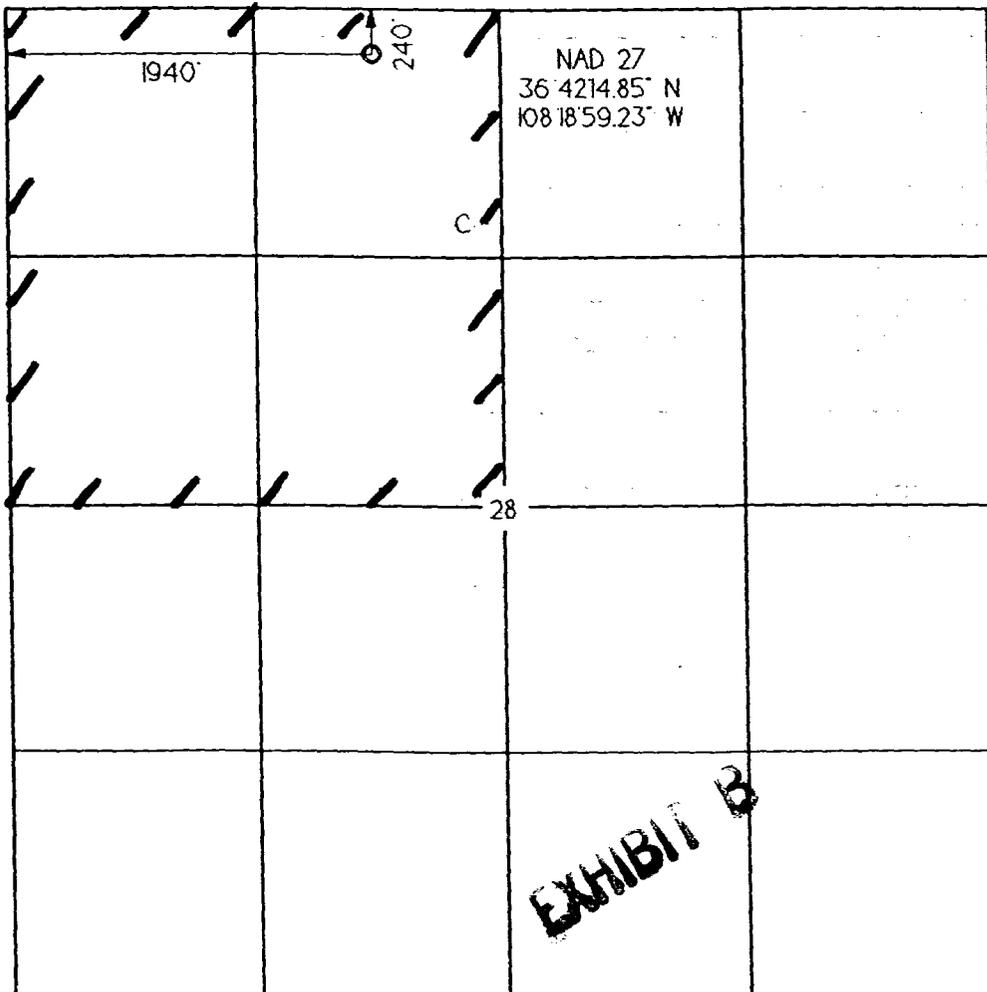
APA Number	Pool Code	Pool Name
	79680	WEST KUTZ PC EXT.
Property Code	Property Name	Well Number
	NV NAVAJO 28	2
OGRID No.	Operator Name	Elevation
019219	RICHARDSON OPERATING COMPANY	5600'

Surface Location									
UL or Lot	Sec.	Top.	Rge.	Lot Id.	Feet from >	North/South	Feet from >	East/West	County
C	28	29 N.	14 W.		240'	NORTH	1940'	WEST	SAN JUAN

Bottom Hole Location If Different From Surface									
UL or Lot	Sec.	Top.	Rge.	Lot Id.	Feet from >	North/South	Feet from >	East/West	County

Dedication	Joint ?	Consolidation	Order No.

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

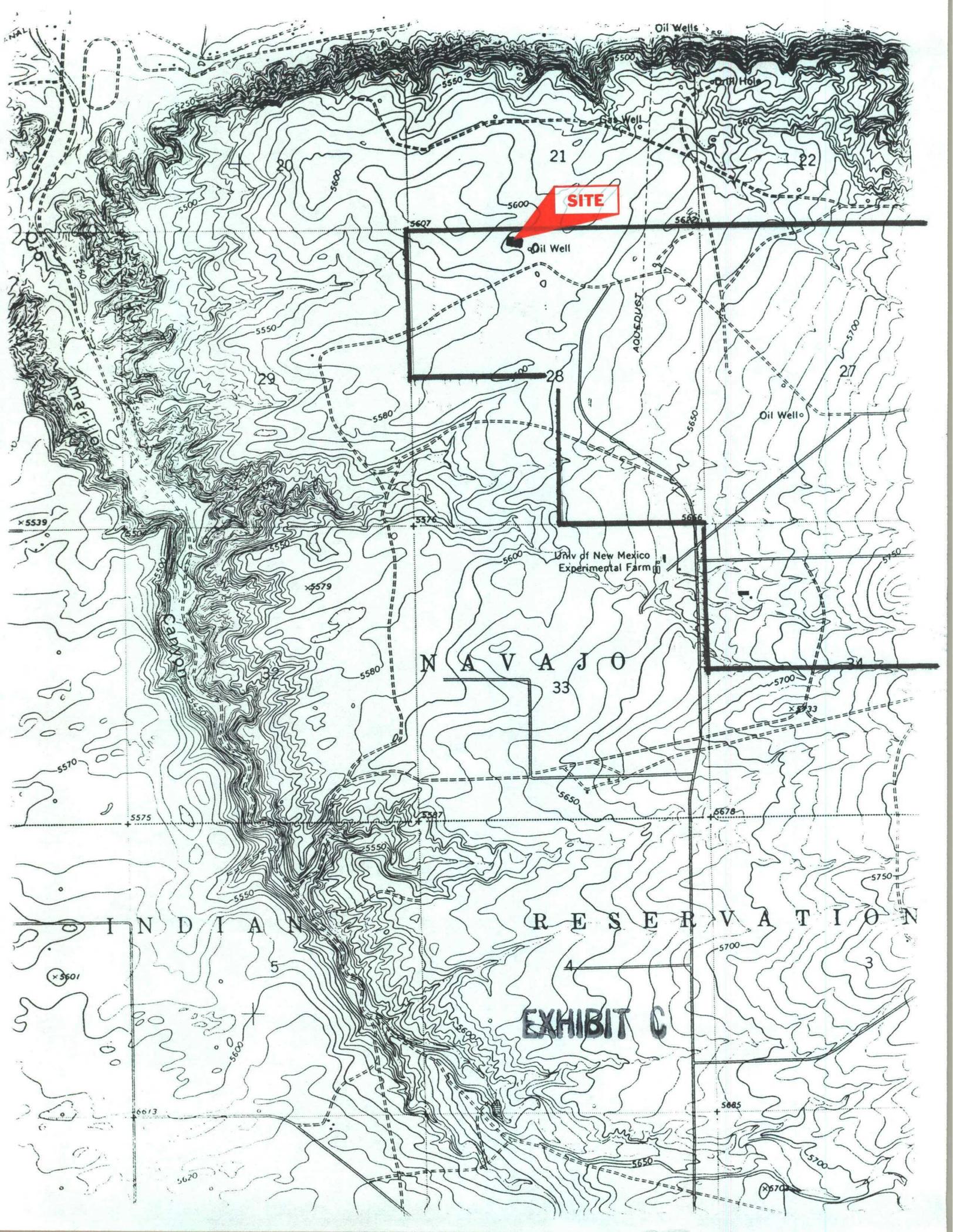


OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Brian Wood*
 Printed Name: BRIAN WOOD
 Title: CONSULTANT
 Date: MAR. 14, 2002

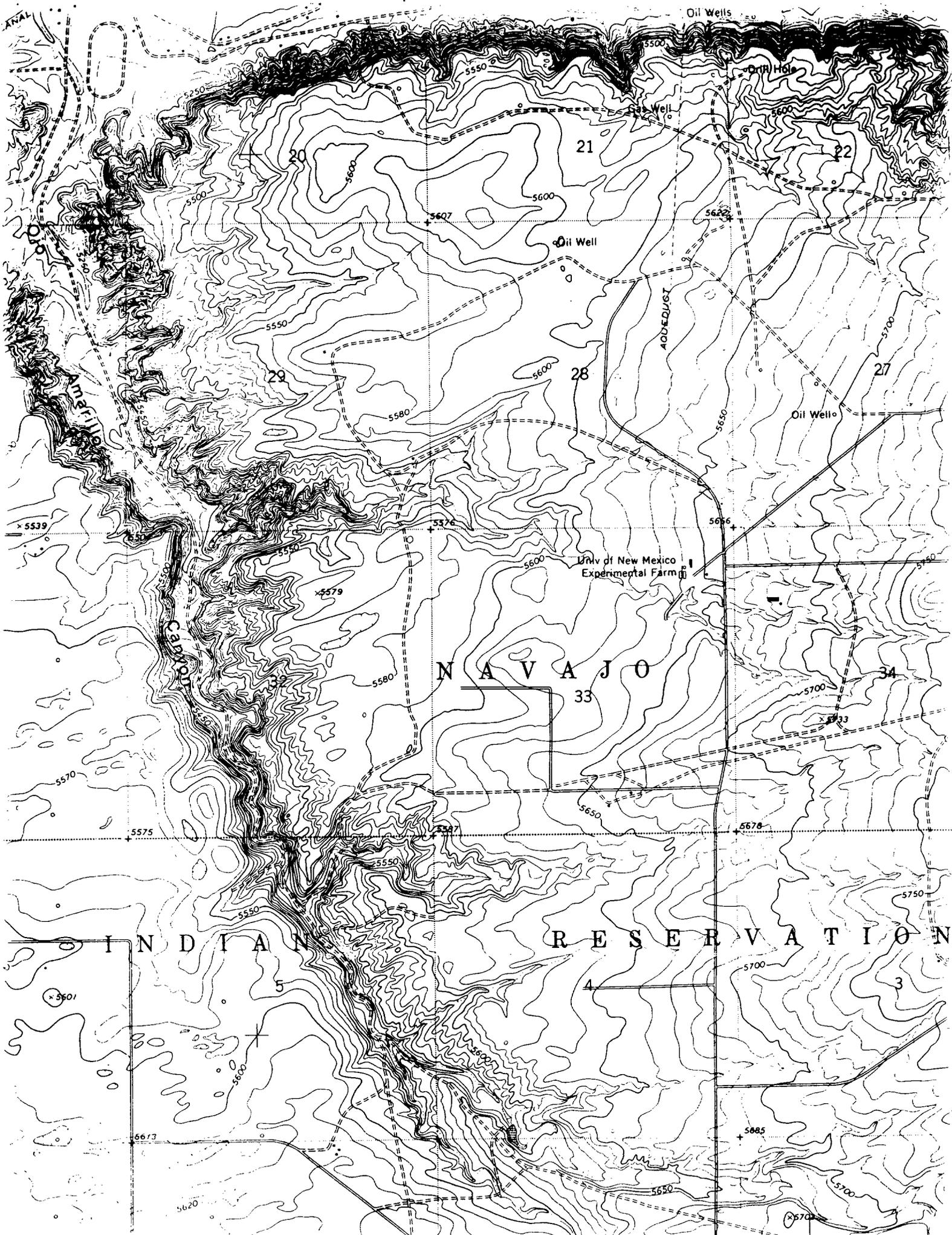
SURVEYOR CERTIFICATION
 I hereby certify that the well location on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
 Date of Survey:

Signature and Seal of Professional Surveyor: *[Signature]*
 017-02
 G. HUDDLESTON
 6844
 REGISTERED LAND SURVEYOR



SITE

EXHIBIT C





SITE

Oil Well

ADJUST

Oil Wells

Univ of New Mexico
Experimental Farm

NAVAJO

RESERVATION

INDIAN

EXHIBIT E



21

28

20

29

Site



Photo = 7May1998

29n-14w

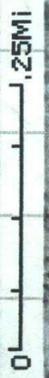


EXHIBIT 6

PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37 Verano Loop, Santa Fe, New Mexico 87508

(505) 466-8120

Akhtar Zaman
Minerals Dept.
P. O. Box 1910
Window Rock, Az. 86515

Dear Akhtar,

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following non-standard location for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Richardson Operating Co. is applying to drill its NV Navajo 28 #2 gas well. The minimum distance from a gas well to a quarter section line is 660'. Due to surface conditions (NAPI irrigated field), the well is 240' from the north line of the section, or 420' less than the standard minimum. Thus, it is a non-standard location. The proposed well is 2,298' from the closest existing or proposed gas well (Richardson's NV Navajo 16 #1). See attached map for more details.

Well Name: NV Navajo 28 #2

Total Depth: 1,200'

Proposed Producing Zone: Pictured Cliffs sandstone

Acreage Dedication: Pictured Cliffs 160 acres (NW4 of Section 28)

Location: 240' FNL & 1940' FWL Sec. 28, T. 29 N., R. 14 W.,

San Juan County, NM on Tribal lease 14-20-603-2168

Approximate Location: ≈5 air mile southwest of Farmington, NM

Applicant Name: Richardson Operating Co. (505) 564-3100

Applicant's Address: 3100 LaPlata Highway, Farmington, NM 87401

Submittal Information: Application for a non-standard location will be filed with the NM Oil Conservation Division. If they determine the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 2040 S. Pacheco, Santa Fe, NM 87504. Their phone number is (505) 827-7131.

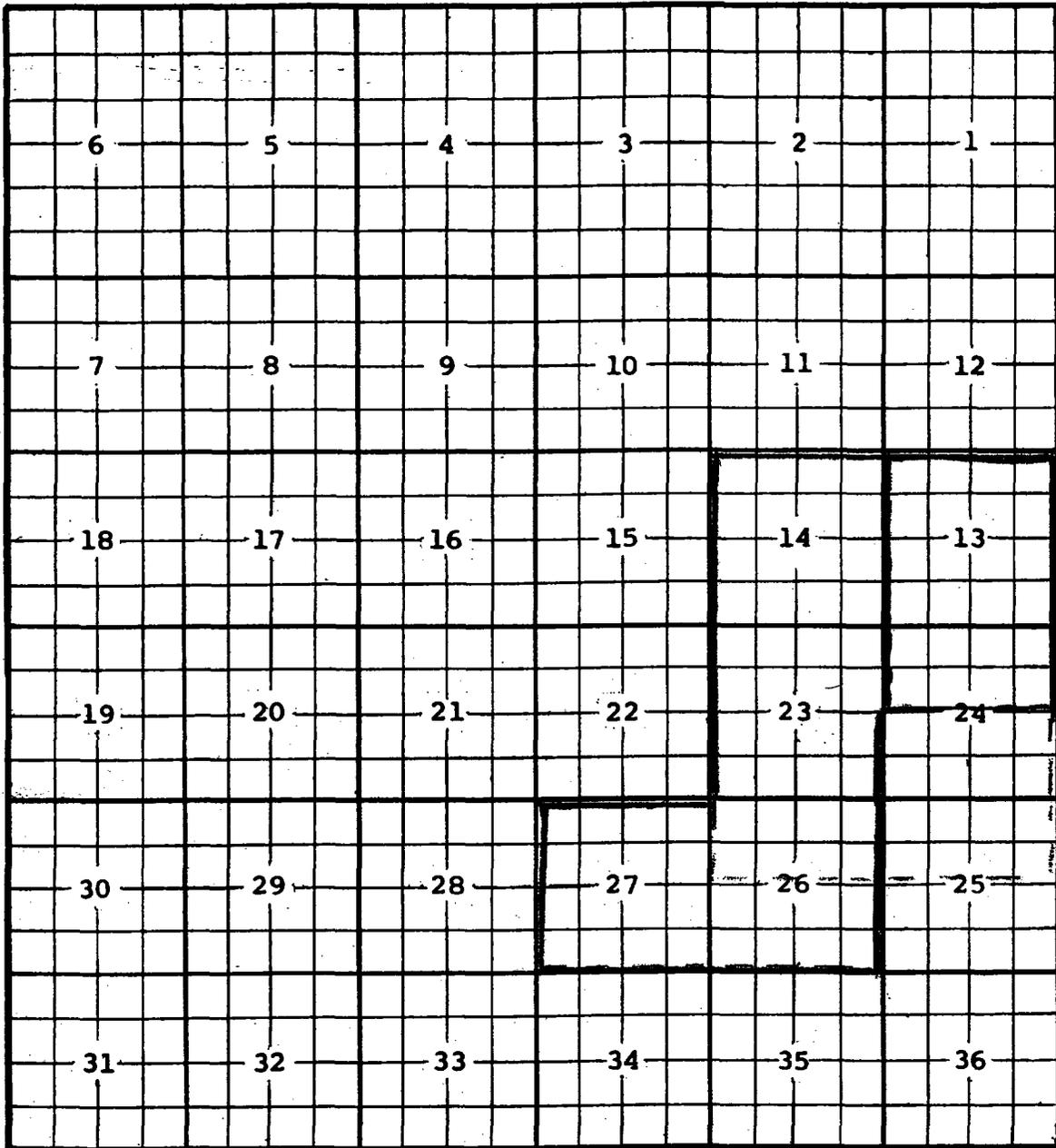
Please call me if you have any questions.

Sincerely,



COUNTY San Juan POOL West Kutz - Pictured Cliffs

TOWNSHIP 29 North RANGE 14 West NMPM



Ext: All sec. 13, $\frac{1}{2}$ sec 24 (R-6886, 1-22-82)

Ext: All Sec. 14, All Sec. 23, All Secs. 26 and 27 (A-11540, 2-26-01)

CMD : ONGARD
 OG55SECT INQUIRE LAND BY SECTION

Sec : 28 Twp : 29N Rng : 14W Section Type : NORMAL

09/17/02 09:49:02
 OGOMES -TPSE
 PAGE NO: 1

D	C	B	A
40.00	40.00	40.00	40.00
Indian owned	Indian owned	Indian owned	Indian owned
E	F	G	H
40.00	40.00	40.00	40.00
Indian owned	Indian owned	Indian owned	Indian owned

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06
 PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD : ONGARD
 OG5SECT INQUIRE LAND BY SECTION

09/17/02 09:49:05
 OGOMES -TPSE
 PAGE NO: 2

Sec : 28 Twp : 29N Rng : 14W Section Type : NORMAL

L	K	J	I
40.00	40.00	40.00	40.00
Indian owned	Indian owned	Indian owned	Indian owned
M	N	O	P
40.00	40.00	40.00	40.00
Indian owned	Indian owned	Indian owned	Indian owned

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06
 PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

NSL-4784

Akhtar Zaman
Minerals Dept.
P. O. Box 1910
Window Rock, Az. 86515

OCT - 10

Dear Akhtar,

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following non-standard location for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Richardson Operating Co. is applying to drill its NV Navajo 28 #2 gas well. The minimum distance from a gas well to a quarter section line is 660'. Due to surface conditions (NAPI irrigated field), the well is 240' from the north line of the section, or 420' less than the standard minimum. Thus, it is a non-standard location. The proposed well is 2,298' from the closest existing or proposed gas well (Richardson's NV Navajo 16 #1). See attached map for more details.

Well Name: NV Navajo 28 #2 Total Depth: 1,200'
Proposed Producing Zone: Pictured Cliffs sandstone
Acreage Dedication: Pictured Cliffs 160 acres (NW4 of Section 28)
Location: 240' FNL & 1940' FWL Sec. 28, T. 29 N., R. 14 W.,
San Juan County, NM on Tribal lease 14-20-603-2168
Approximate Location: ~5 air mile southwest of Farmington, NM
Applicant Name: Richardson Operating Co. (505) 564-3100
Applicant's Address: 3100 LaPlata Highway, Farmington, NM 87401

Submittal Information: Application for a non-standard location will be filed with the NM Oil Conservation Division. If they determine the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 2040 S. Pacheco, Santa Fe, NM 87504. Their phone number is (505) 827-7131.

Please call me if you have any questions.

Sincerely,

Brian

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.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.	A. Signature x <i>Ron S DAS</i> <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee
1. Article Addressed to: Minerals Dept. P. O. Box 1910 Window Rock, Az. 86515	B. Received by (Printed Name) <i>Ron S DAS</i> C. Date of Delivery <i>9/20/02</i>
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input checked="" type="checkbox"/> No
	3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.

NV Navajo 28 #2

PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37 Verano Loop, Santa Fe, New Mexico 87508

(505) 466-8120

September 9, 2002

Dr. Ray Powell
NM State Land Office
P. O. Box 1148
Santa Fe, NM 87504

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following non-standard location for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Richardson Operating Co. is applying to drill its Ropco 16 #3 gas well. The minimum distance from a gas well to a quarter section line is 660'. Due to surface conditions (San Juan River, floodplain, irrigated fields), the well is 134' from the north line of the quarter section, or 526' less than the standard minimum. Thus, it is a non-standard location. The proposed well is 1,634' from the closest existing or proposed gas well (Richardson's Ropco 16 #2). See attached map for more details.

Well Name: Ropco 16 #3

Total Depth: 1,050'

Proposed Producing Zone: Pictured Cliffs sandstone & Fruitland coal

Acreage Dedication: Pictured Cliffs 160 acres (SW4 of Section 16)
Fruitland coal (W2 Section 16)

Location: 2506' FSL & 1006' FWL Sec. 16, T. 29 N., R. 14 W.,
San Juan County, NM on a state lease V-05375

Approximate Location: ~1 air mile east of Kirtland, NM

Applicant Name: Richardson Operating Co. (505) 564-3100

Applicant's Address: 3100 LaPlata Highway, Farmington, NM 87401

Submittal Information: Application for a non-standard location will be filed with the NM Oil Conservation Division. If they determine the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 2040 S. Pacheco, Santa Fe, NM 87504. Their phone number is (505) 827-7131.

Please call me if you have any questions.

Sincerely,

Brian Wood

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- 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:

NM State Land Office
P. O. Box 1148
Santa Fe, NM 87504

Ropco 16 #3

COMPLETE THIS SECTION

A. Signature Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

SEP 11 2002

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number
(Transfer from service label)

7001 2510 0000 3152 6559