

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-045-30713
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Richardson Operating Company		6. State Oil & Gas Lease No. NMNM-0207001
3. Address of Operator 3100 La Plata Highway Farmington, NM 87401 505-564-3100		7. Lease Name or Unit Agreement Name: N/A
4. Well Location Unit Letter <u>P</u> : 742 feet from the South line and 1306 feet from the East line Section 25 Township 30N Range 14W NMPM San Juan County		7. Well No. WF Federal 25 #2 9. Pool name or Wildcat Bas. Fr. Coal & W. Kutz PC
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5405' UG		

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

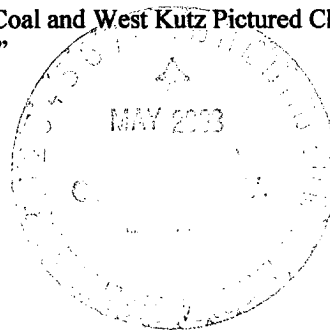
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: Downhole Commingle Application ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Richardson Operating Company proposes to downhole commingle the Basin Fruitland Coal and West Kutz Pictured Cliffs in this well. Please see the attached for details on downhole commingling these "preapproved pools."



DHC1209A2

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

SIGNATURE [Signature] TITLE Operations Manager DATE 05/08/2003

Type or print name Drew Carnes
(This space for State use)

Telephone No. (505) 564-3100

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 42 DATE MAY - 9 2003

Conditions of approval, if any:

Richardson Operating Company

Downhole Commingling Application

The WF Federal 25 #2 is a newly drilled Basin Fruitland Coal/Harper Hill Pictured Cliffs well. This well is part of Richardson's development program.

Pursuant to Order R-11363, Richardson Operating company seeks approval to downhole commingle the "Pre-approved pools and areas": Basin-Fruitland Coal (71629) and Harper Hill Pictured Cliffs (78160) in this well.

The Basin-Fruitland Coal is perforated at 1116'-1120', 1100'-1110', 1070'-1072', and 1017'-1024'. The Harper Hill Pictured Cliffs is perforated at 1120'-1130'.

Due to the intermingled nature of the pools and since neither pool has enough data to prepare a reliable production forecast or predict the ultimate reserves, Richardson Operating Company proposes to allocate the production on a 49/51 basis:

Pictured Cliffs Production = $0.49 \times \text{Total Production}$.

Fruitland Coal Production = $0.51 \times \text{Total Production}$.

Please see the attached document for the methodology used to determine allocation.

The downhole commingling will not reduce the value of the total remaining production of this well.

Ownership between the two pools is not identical.

Richardson Operating Company has sent notice to all interest holders in the spacing units by certified mail (return receipt) of their intent to apply for downhole commingling and no objection was received within 20 days of sending the notice.

A copy of this application has been submitted via Sundry Notice Form 3160-5 to the Bureau of Land Management.

Section 3 T29N R14W:

Fruitland Coal:	Dugan Federal 1 #99	187Mcf/day
	Richardson WF Federal 3 #2	160 Mcf/day

Pictured Cliffs:	Dugan Federal 1 #7	266 Mcf/day
	Richardson WF Federal 3 #1	128 Mcf/day

FC avg. = 174

PC avg. = 160

Section 3 allocation = 47% FC, 53% PC

Section 10 T29N R14W:

Fruitland Coal:	Dugan Federal 1 #98	165 Mcf/day
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Pictured Cliffs:	Richardson Ropco 10 #2	115 Mcf/day
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FC avg. = 165

PC avg. = 115

Section 10 allocation = 59% FC, 41% PC

Summary:

Section 32 allocation = 43% FC, 57% PC

Section 33 allocation = 39% FC, 61% PC

Section 4 allocation = 57% FC, 43% PC

Section 3 allocation = 47% FC, 53% PC

Section 10 allocation = 59% FC, 41% PC

AVERAGE = 49% FC, 51% PC

The proposed allocation for the WF Federal 25 #2 will be 49% Fruitland Coal and 51% Pictured Cliffs.