

Sequence of Events: W/2-Sec 12-T29N-R13W
San Juan County, NM

- 1-11-93 Richardson Operating Company (ROPCO) letter to Amoco offering to farm in for a continuous drilling program 3520 gross acres (including the W/2-Sec 12-T29N-R13W). ROPCO would commence drilling within 45 days of execution of a farmout agreement, and would drill to the base of the Pictured Cliffs formation with no more than 30 days between wells. Barbara Sturgeon at Amoco verbally declined the offer.
- 11-29-93 Cathy Colby at ROPCO made telephone call to Julie Talbot (now Jenkins) at Amoco, and other leasehold owners, as to the availability of the W/2-Sec 12-T29N-R13W. ROPCO was asked to submit written offers. Amoco specifically asked that ROPCO put several alternatives in writing; Amoco would possibly prefer to sell out completely.
- 12-2-93 ROPCO letter to Amoco offering 1.) outright purchase, 2.) purchase with reservation of an ORRI, 3.) farmout to ROPCO, with a 90 day drilling commitment.
- 12-3-93 ROPCO letter to Estate of John J. Redfern, Jr., Rosalind Redfern, Kerr-McGee Corporation, Rod Markham, J. Harvey Herd, Chuck Christmann offering 1.) outright purchase, 2.) purchase with reservation of an ORRI, 3.) farmout to ROPCO, with a 90 day drilling commitment.
- 1-10-94 ROPCO bought interest of J. Harvey Herd
- 10-5-94 ROPCO bought interest of the Estate of John J. Redfern, Jr.
- 2-14-95 Amoco letters to ROPCO proposing two Pictured Cliffs wells: 1) NW/4 (footages on AFE actually place well in SW/4) and 2) SW/4-Sec 12-T29N-R13W. No response date given for return of AFE's.
- 2-24-95 Cathy Colby of ROPCO made telephone call to Greg Grotke of Amoco regarding possible acreage trade, to avoid being co-owners in the same wells. Amoco would look at their leasehold position and get back with ROPCO.
- 3-6-95 ROPCO faxed well proposals and AFE's to all parties for a PC well in the NW/4 and a PC/FC downhole commingled well in the SW/4-Sec 12-T29N-R13W. Letter states Operating Agreements would be furnished upon written request. Confirmed that all faxes were received. Late in afternoon ROPCO received fax from Amoco terminating all negotiations regarding an acreage trade. Letter also states Amoco will respond soon in writing to ROPCO's PC and PC/FC well proposals. Rosalind Redfern executes ROPCO's AFE's for PC well (NW/4) and PC/FC well (SW/4).
- 3-9-95 Amoco applies to OCD to get on 4-6-95 docket for compulsory pooling for a PC well in NW/4-12 and a PC/FC downhole commingled well in SW/4-Sec 12.
- 3-14-95 Amoco mails to ROPCO a copy of its 3-9-95 OCD application cover letter, which is received by ROPCO on 3-15-95, one day after deadline to get on docket for 4-6-95 hearing. Rod Markham executes ROPCO's AFE's for PC well (NW/4) and PC/FC well (SW/4). Richardson applies to OCD for compulsory pooling for a PC well in NW/4-12 and a PC/FC downhole commingled well in SW/4-Sec 12.
- 3-15-95 Christmann Mineral Company executes ROPCO AFE's for PC well (NW/4) and PC/FC well (SW/4).
- 3-16-95 ROPCO receives Amoco PC/FC downhole commingled well proposal for SW/4-Sec 12-T29N-R13W. Amoco letter dated 3-13-95, mailed 3-15-95. No response date on letter, Amoco interest wrong on AFE for FC, not an orthodox location.
- 3-18-95 Manon McMullen executes ROPCO AFE's for PC well (NW/4) and PC/FC well (SW/4).
- 3-28-95 Richardson gives notice to OCD & Amoco of its appearance as an interested party adversely affected and in opposition of Amoco's compulsory pooling application.
- 4-7-95 ROPCO receives telephone call from John O'Brien at Kerr-McGee. Kerr-McGee will support the company selected by the OCD as operator by granting an oil and gas lease to same.

BEFORE THE

OIL CONSERVATION DIVISION

Case No. 11246/11247 Exhibit No. 6

Submitted By:

Richardson Operating Company

Hearing Date: April 6, 1995



RICHARDSON OPERATING COMPANY

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

January 11, 1993

Amoco Production Company
Southern Division
1670 Broadway
P.O. Box 800
Denver, CO 80201

Attn: Barbara Sturgeon

Dear Ms. Sturgeon:

Amoco Production Company (Amoco) owns an apparent interest in oil and gas leases underlying part or all of the following described lands in San Juan County, New Mexico:

Township 29 North, Range 13 West, NMPM
Section 12: W/2
Section 14: All

Township 30 North, Range 13 West, NMPM
Section 24: All

Township 30 North, Range 12 West, NMPM
Section 19: All
Section 30: All
Section 31: All

Richardson Operating Company (ROPCO) respectfully requests a farmout from Amoco of the above acreage on the following general terms and conditions:

1. ROPCO will commence a continuous drilling program on the captioned land within 45 days from the date of acceptance of a formal farmout contract pertaining to the above lands. All wells shall be drilled, at the sole cost, risk and expense of ROPCO to a minimum depth of the base of the Pictured Cliffs Formation. No more than 30 days shall elapse between drilling rig release of one well and commencement of the next well. All wells shall be commenced by December 31, 1993. MROC shall not proceed below and shall not be entitled to earn any interest below the base of the Pictured Cliffs formation. The only penalty for failure to timely commence any well proposed hereunder shall be the loss of any further rights to commence additional wells hereunder.

2. Upon completion of each of the wells as producers of oil and or gas, Amoco will deliver an assignment of 100% of its working interest in the underlying leasehold interest, as to the drillsite spacing unit only, and to the deepest depth drilled in such well. Amoco shall reserve a net revenue interest equal to the difference between thirty percent (30%) and existing burdens, delivering ROPCO a seventy percent (70%) net revenue interest in such lands and leases, proportionately reduced where Amoco holds less than 100% of the working interest in such drillsite spacing unit.
3. Amoco shall retain first right of refusal to purchase all oil and/or natural gas produced pursuant to the farmout contract, at market prices and terms.
4. Amoco shall be entitled to access to the drilling rig(s), and all information derived from the drilling of said wells.
5. The parties shall enter into a formal farmout contract embracing the terms and conditions herein and other terms and conditions to be agreed upon between the parties, and standard to the industry. This letter agreement will not survive the execution of the formal farmout agreement. No liability shall exist between the parties prior to the execution of the formal agreement between Amoco and ROPCO.

If you agree with the above, please so indicate by signing one copy of this letter in the space indicated and returning it to the undersigned at your earliest convenience.

Sincerely,



Peter A. Gowan
Land Manager

Understood and agreed this __ day of _____, 199_.

AMOCO PRODUCTION COMPANY

November 29, 1993

To: David

From: Cathy

Re: W/2-Sec 12-T29N-R13W
San Juan County, NM

David,

I talked with Amoco and 50% of the Redfern group regarding the availability of the captioned acreage. All parties indicated the acreage is available, and they want us to submit an offer. We should offer a couple of alternatives, ie:

1. Purchase leasehold, no additional ORRI's (Amoco will possible prefer this)
2. Purchase leasehold, and give an ORRI
3. Farmout

Ownership is as follows:

Amoco	NRI: 62.7893%	WI: 73.6281%	(=85.2789%)
Redfern	NRI: 21.5129%	WI: 26.3719%	(=81.5751%)

Please let me know what terms you would like to offer.



RICHARDSON OPERATING COMPANY

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

December 2, 1993

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

Re: Offer to Purchase or Farmin Acreage
W/2-Sec 12-T29N-R13W
San Juan County, NM

Dear Julie:

This letter is in response to our telephone conversation of November 29, 1993. A recent title check indicates that Amoco Production Company owns various leasehold rights in the captioned acreage, from the surface to the base of the Pictured Cliffs formation, as set forth on the attached Exhibit "A". Richardson Production Company is interested in acquiring Amoco's leasehold rights, and offers the following alternatives:

1. Purchase all of Amoco's interest for \$200.00 per net acre, with no additional overriding royalty reservations.
2. Purchase all of Amoco's interest for \$100.00 per net acre, with Amoco reserving a proportionate overriding royalty interest equal to the difference between existing burdens and 20%.
3. Enter into a farmout agreement covering all of Amoco's interest, giving Richardson 90 days in which to drill a well, with Amoco reserving a proportionate nonconvertible overriding royalty interest equal to the difference between existing burdens and 20%.

Thank you for considering our offer. We look forward to hearing from you on this matter.

Sincerely,

RICHARDSON PRODUCTION COMPANY

Cathleen Colby
Cathleen Colby
Land Manager

Exhibit "A"

All of the following lands are located in San Juan County, New Mexico:

Lease 1

Lessor: Bernice A. Burnham, a widow
Lessee: Hugh J. Mitchell
Dated: October 27, 1959
Recorded: Book 438, Page 294
Lands: Township 29 North, Range 13 West, NMPM
Section 12: S/2NW/4, W/2SW/4, excepting that part of
the SW/4NW/4 lying North and West of the
Animas River

Gross Acres: 153.93
Net Acres: 76.965
Net Royalty: 6.25%
Net ORR's: 1.25%

Lease 2

Lessor: Margaret Reiser and her husband, E. T. Reiser, also
referred to as T. E. Reiser
Lessee: Weldon C. Julander
Dated: October 5, 1959
Recorded: Book 432, Page 147
Lands: Township 29 North, Range 13 West, NMPM
Section 12: S/2NW/4, W/2SW/4, excepting that part of
the SW/4NW/4 lying North and West of the
Animas River

Gross Acres: 153.93
Net Acres: 76.965
Net Royalty: 6.25%
Net ORR's: 1.5%

Lease 3

Lessor: Paula A. Maxwell and husband, Louis O. Maxwell
Lessee: Hugh J. Mitchell
Dated: May 24, 1958
Recorded: Book 382, Page 15
Lands: Township 29 North, Range 13 West, NMPM
Section 12: NE/4NW/4

Gross Acres: 40.00
Net Acres: 20.00
Net Royalty: 6.25%
Net ORR's: 1.25%

Lease 4

Lessor: Wayne Tarpley
Lessee: Hugh J. Mitchell
Dated: May 24, 1958
Recorded: Book 382, Page 17
Lands: Township 29 North, Range 13 West, NMPM
Section 12: NE/4NW/4

Gross Acres: 40.00
Net Acres: 20.00
Net Royalty: 6.25%
Net ORR's: 1.25%

Lease 5

Lessor: Northern Specialty Company, Incorporated
Lessee: Pan American Petroleum Corporation
Dated: March 6, 1964
Recorded: Book 579, Page 10
Lands: Township 29 North, Range 13 West, NMPM

Section 12: That part of the SW/4NW/4: Beginning at a point where the west line of the SW/4NW/4, aforesaid, intersects the south line of the D.&R.G.R.R.Co. right of way, which point is South 0 deg. 58' West 334.5 feet from the NW corner of said SW/4NW/4; Thence North 44 deg. 32' East 163.0 feet; Thence South 38 deg. 40' East 275.85 feet; Thence South 66 deg. 56' West 324.1 feet; Thence North 0 deg. 58' East 235.6 feet to the point of beginning.

Gross Acres: 1.33
Net Acres: 1.33
Net Royalty: 12.5%
Net ORR's: -0-

Lease 6

Lessor: Glenn P. Wycoff and wife, Anna M. Wycoff
Lessee: Pan American Petroleum Corporation
Dated: March 6, 1964
Recorded: Book 581, Page 2
Lands: Township 29 North, Range 13 West, NMPM

Section 12: That part of the W/2NW/4: Beginning at a point which is South 89 deg. 56' East 286.09 feet from the Northwest corner of the SW/4NW/4 of said Section 12; Thence North 44 deg. 32' East 219.6 feet; Thence South 45 deg. 28' East 369.6 feet; Thence South 50 deg. 18' West 585.6 feet; Thence North 38 deg. 40' West 287.85 feet; Thence North 44 deg. 32' East 303.7 feet; Thence North 89 deg. 56' West 35.6 feet, to the point of beginning.

Gross Acres: 4.24
Net Acres: 4.24
Net Royalty: 12.5%
Net ORR's: -0-

Lease 7

Lessor: The Town of Farmington
Lessee: Pan American Petroleum Corporation
Dated: May 20, 1964
Recorded: Book 577, Page 142
Lands: Township 29 North, Range 13 West, NMPM

Section 12: First Tract: 1.42 acres, more or less, in the NW/4NW/4: Beginning at a point which is South 89 deg. 56' East 286.09 feet and North 44 deg. 32' East 519.6 feet from the Northwest corner of the Southwest Quarter of the Northwest Quarter; Thence North 44 deg. 32' East

435.5 feet; Thence South 11 deg. 32' West 519.2 feet; Thence North 45 deg. 28' West 282.8 feet to the place of beginning.

Second Tract: 2.21 acres, more or less, in the W/2NW/4: Beginning at a point which is South 89 deg. 56' East 286.09 feet and North 44 deg. 32' East 219.6 feet from the Northwest corner of the SW/4NW/4; Thence North 44 deg. 32' East 300 feet; Thence South 45 deg. 28' East 282.8 feet; Thence South 28 deg. 20' West 312.1 feet; Thence North 45 deg. 28' West 369.6 feet to the place of beginning.

Gross Acres: 3.63
Net Acres: 3.63
Net Royalty: 12.5%
Net ORR's: -0-

Lease 8

Lessor: Don Tanner and wife, Ruth Tanner
Lessee: Pan American Petroleum Corporation
Dated: May 6, 1964
Recorded: Book 577, Page 141
Lands: Township 29 North, Range 13 West, NMPM

Section 12: That part of the W/2NW/4: Beginning at the intersection of the West line of Section 12 and the North right-of-way line of Highway 550; Thence North 44 deg. 01' East along the North right-of-way line of Highway 550, 273.4 feet; Thence North 45 deg. 59' West, 261.9 feet; Thence South 0 deg. 46' West along the West line of Section 12, 378.4 feet to the point of beginning.

Gross Acres: 1.82
Net Acres: 1.82
Net Royalty: 12.5%
Net ORR's: -0-

Lease 9

Lessor: J.J. DeWeerd and wife, Louise A. DeWeerd
Lessee: Pan American Petroleum Corporation
Dated: August 24, 1964
Recorded: Book 587, Page 33
Lands: Township 29 North, Range 13 West, NMPM

Section 12: All of Lessor's right, title and interest in the oil, gas and other minerals lying South and East of the Denver & Rio Grande RR in the W/2NW/4

Gross Acres: 8.46
Net Acres: 8.46
Net Royalty: 12.5%
Net ORR's: -0-



RICHARDSON OPERATING COMPANY

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

December 3, 1993

Mr. Vern Dwyer
The Estate of John J. Redfern, Jr.
P.O. Box 50896
Midland, TX 79710

Mr. Rod Markham
Mr. Jack Markham
1500 Broadway, Suite 1212
Lubbock, TX 79401-3132

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

Mr. J. H. Herd
P.O. Box 130
Midland, TX 79702-0130

Mr. John Alloway
Kerr-McGee Corporation
P.O. Box 25861
Oklahoma City, OK 73125

Mr. Chuck Christmann
Mr. John J. Christmann
1500 Broadway, Suite 800
Lubbock, TX 79401-3116

Re: Offer to Purchase or Farmin Acreage
W/2-Sec 12-T29N-R13W
San Juan County, NM

Gentlemen:

A recent title check indicates that the above named parties own various leasehold rights in the captioned acreage, from the surface to the base of the Pictured Cliffs formation, as set forth on the attached Exhibit "A". Richardson Production Company is interested in acquiring each of your leasehold rights, and offers the following alternatives:

1. Purchase all leasehold interest for \$150.00 per net acre, with no additional overriding royalty reservations.
2. Purchase all leasehold interest for \$100.00 per net acre, with each part reserving a proportionate overriding royalty interest equal to the difference between existing burdens and 20%.
3. Enter into a farmout agreement covering all leasehold interest, giving Richardson 90 days in which to drill a well, with each party reserving a proportionate nonconvertible overriding royalty interest equal to the difference between existing burdens and 20%.

Richardson's offer is subject to all parties signing a Stipulation of Interest confirming the individual interests set out on the attached Exhibit "A".

Thank you for taking the time to review our offer. We look forward to hearing from you on this matter.

Sincerely,

RICHARDSON PRODUCTION COMPANY

Cathleen Colby
Land Manager

Exhibit "A"

The below described leasehold is owned in the following proportions:

Estate of John J. Redfern, Jr.	1/8
Rosalind Redfern	1/8
Kerr-McGee Corporation	1/12
Jack Markham	3/12
John J. Christmann	3/12
J. H. Herd	2/12

Lease 1

Lessor: Fred A. Mossman and wife, Mary K. Mossman
Lessee: John J. Redfern, Jr.
Dated: February 17, 1960
Recorded: Book 447, Page 91
Lands: Township 29 North, Range 13 West, NMPM
Section 12: That part of the NW/4NW/4, lying North and West of Highway 550, save and except a tract containing 0.82 acres as follows: A portion of the W/2NW/4, more specifically described as follows: Beginning at the intersection of the West line of Section 12 and the North right-of-way line of Highway 550; Thence North 44 deg. 01' East along the North right-of-way line of Highway 550, 273.4 feet; Thence North 45 deg. 59' West 261.9 feet; Thence South 0 deg. 46' West along the West line of Section 12, 378.4 feet to the point of beginning.

Gross Acres: 22.20
Net Acres: 22.20
Net Royalty: 12.5%
Net ORR's: -0-

Lease 2

Lessor: The Denver and Rio Grande Western Railroad
Lessee: John J. Redfern, Jr.
Dated: December 10, 1959
Recorded: Book 445, Page 2
Lands: Township 29 North, Range 13 West, NMPM
Section 12: All that portion of the fee title right-of-way of Lessor lying within the W/2

Gross Acres: 4.39
Net Acres: 4.39
Net Royalty: 12.5%
Net ORR's: -0-

Lease 3

Lessor: USA BLM SF-078931
Lessee: Glenn H. Callow
Dated: April 1, 1948
Recorded: Not Recorded
Lands: Township 29 North, Range 13 West, NMPM
Section 12: E/2SW/4

Gross Acres: 80.00
Net Acres: 80.00
Net Royalty: 12.5%
Net ORR's: 6.25%

All of the above described lands are located in San Juan County, New Mexico

9403127

285

RECEIVED MAR 04 1994

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, J. H. Herd and Harriet D. Herd, husband and wife, P.O. Box 130, Midland, TX 79702-0130, ("Assignor"), for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby sell, grant, convey, assign, transfer, quitclaim and set over unto Richardson Production Company, whose address is 1700 Lincoln, Suite 1700, Denver, CO 80203, ("Assignee"), all of their right, title and interest, in and to the oil and gas leases described on the attached Exhibit "A" (attached hereto and made a part hereof for all purposes), insofar as said leases cover the lands and formations which are specifically described in Exhibit "A", and a like interest in all agreements, permits, easements, licenses and orders in any way relating thereto.

This Assignment of Oil and Gas Leases shall be binding upon and inure to the benefit of Assignor, Assignee, and their respective successors and assigns, is made without warranty of title, either express or implied, except by, through and under Assignor, and is subject to the terms and conditions of all instruments, whether recorded or not, affecting the lands and leases herein described.

EXECUTED this 19th day of January, 1994.

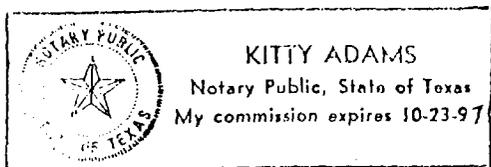
J. H. Herd
Harriet D. Herd

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me this 19th day of January, 1994, by J. H. Herd and Harriet D. Herd, husband and wife.

My Commission Expires:
10-23-97

Kitty Adams
Notary Public
Kitty Adams in and for the
State of Texas.



FILED OR RECORDED
BOOK 1178 PAGE 285
SAN JUAN COUNTY, NEW MEXICO

FEB 24 1994

AT 11:45 O'CLOCK A.M.

Deputy County Clerk
REG# 1086107 FEES 17.75



1700 8007

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases between J. H. Herd and Harriet D. Herd, husband and wife, Assignor, and Richardson Production Company, Assignee, dated the 19th day of January, 1994.

Lease 1

Lessor: Fred A. Mossman and wife, Mary K. Mossman
Lessee: John J. Redfern, Jr.
Dated: February 17, 1960
Recorded: Book 447, Page 91
Lands: Township 29 North, Range 13 West, NMPM

Section 12: That part of the NW/4NW/4, lying North and West of Highway 550, save and except a tract containing 0.82 acres as follows: A portion of the W/2NW/4, more specifically described as follows: Beginning at the intersection of the West line of Section 12 and the North right-of-way line of Highway 550; Thence North 44 deg. 01' East along the North right-of-way line of Highway 550, 273.4 feet; Thence North 45 deg. 59' West 261.9 feet; Thence South 0 deg. 46' West along the West line of Section 12, 378.4 feet to the point of beginning.

Gross Acres: 22.20
Net Acres: 3.70
Net Royalty: 12.5%
Net ORR's: -0-

Lease 2

Lessor: The Denver and Rio Grande Western Railroad
Lessee: John J. Redfern, Jr.
Dated: December 10, 1959
Recorded: Book 445, Page 2
Lands: Township 29 North, Range 13 West, NMPM

Section 12: All that portion of the fee title right-of-way of Lessor lying within the W/2

Gross Acres: 4.39
Net Acres: 0.731
Net Royalty: 12.5%
Net ORR's: -0-

Lease 3

Lessor: USA BLM SF-078931
Lessee: Glenn H. Callow
Dated: April 1, 1948
Recorded: Not Recorded
Lands: Township 29 North, Range 13 West, NMPM

Section 12: E/2SW/4

Gross Acres: 80.00
Net Acres: 13.334
Net Royalty: 12.5%
Net ORR's: 6.25%

Insofar and only insofar as said leases cover from the surface of the earth to the base of the Pictured Cliffs formation.

All of the above lands are located in San Juan County, New Mexico.

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, John J. Redfern, III, as Independent Executor of the Estate of John J. Redfern, Jr., Deceased, of P.O. Box 50890, Midland, TX 79710, hereinafter called Assignor, for and in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto High Plains Associates, Inc., of 1600 Broadway, Suite 1565, Denver, CO 80202, hereinafter called Assignee, all of his right, title and interest in and to the following Oil and Gas Leases in San Juan County, New Mexico:

Lease No. 1:

Description: Township 29 North, Range 13 West, NMPM
Section 12: That part of the NW4NW4 lying North and West of Highway 550, save and except a tract containing 0.82 acres as follows: A portion of the W2NW4, more specifically described as follows: BEGINNING at the intersection of the West line of Section 12 and the North right-of-way line of Highway 550, THENCE North 44° 01' East along the North right-of-way line of Highway 550, 273.4 feet; THENCE North 45° 59' West 261.9 feet; THENCE South 0° 46' West along the West line of Section 12, 378.4 feet to the point of beginning, containing 0.82 acres, more or less.

Acres: 22.20
Dated: February 17, 1960
Lessor: Fred A. Mossman and wife, Mary K. Mossman
Lessee: John J. Redfern, Jr.
Recording Data: Book 447, Page 91

Lease No. 2:

Description: Township 29 North, Range 13 West, NMPM
Section 12: All that portion of the fee title right-of-way of Lessor lying within the W2

Acres: 4.39
Dated: December 10, 1959
Lessor: The Denver and Rio Grande Western Railroad
Lessee: John J. Redfern, Jr.
Recording Data: Book 445, Page 2

Lease No. 3:

Description: Township 29 North, Range 13 West, NMPM
Section 12: E2SW4

Acres: 80.00
Dated: April 1, 1948
Serial No.: SF-078931
Lessor: United States of America
Lessee: Glenn H. Callow
Recording Data: Not recorded

together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith. This assignment is made without warranties whatsoever, either express or implied.

All of the provisions of this assignment shall be available to and binding upon the respective heirs, executors, administrators, successors, and assigns of the Assignor and Assignee herein.

EXECUTED this 12th day of SEPTEMBER, 1994.

By: 
John J. Redfern, III, as Independent
Executor of the Estate of John J.
Redfern, Jr., Deceased

Assignment of Oil and Gas Leases
Page 2

STATE OF TEXAS)
) SS.
COUNTY OF MIDLAND]

Before me, the undersigned notary public in and for said county and state, on this 12th day of August, 1994, personally appeared John J. Redfern, III, as Independent Executor of the Estate of John J. Redfern, Jr., Deceased, to me known to be the identical person described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: _____

Patricia M. Sloan

Notary Public



(F:\asn\Redfern.asn)

FILED OR RECORDED
BOOK 1197 PAGE 426
SAN JUAN COUNTY, NEW MEXICO

MAR 10 1995
AT 1:56 O'CLOCK P M
Carol Brady
COUNTY CLERK
DEPUTY *Carla A. Howard*
REC # R103719 FEES 4.1900



ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, High Plains Associates, Inc., of 1600 Broadway, Suite 1565, Denver, Colorado 80202, hereinafter called Assignor, for and in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer and set over unto Richardson Production Company, of 1700 Lincoln, Suite 1700, Denver, CO 80203, hereinafter called Assignee, all of its right, title and interest in and to the following Oil and Gas Leases in San Juan County, New Mexico:

Lease No. 1:

Description: Township 29 North, Range 13 West, NMPM
Section 12: That part of the NW4NW4 lying North and West of Highway 550, save and except a tract containing 0.82 acres as follows: A portion of the W2NW4, more specifically described as follows: BEGINNING at the intersection of the West line of Section 12 and the North right-of-way line of Highway 550, THENCE North 44° 01' East along the North right-of-way line of Highway 550, 273.4 feet; THENCE North 45° 59' West 261.9 feet; THENCE South 0° 46' West along the West line of Section 12, 378.4 feet to the point of beginning, containing 0.82 acres, more or less.
Acres: 22.20
Dated: February 17, 1960
Lessor: Fred A. Mossman and wife, Mary K. Mossman
Lessee: John J. Redfern, Jr.
Recording Data: Book 447, Page 91

Lease No. 2:

Description: Township 29 North, Range 13 West, NMPM
Section 12: All that portion of the fee title right-of-way of Lessor lying within the W2
Acres: 4.39
Dated: December 10, 1959
Lessor: The Denver and Rio Grande Western Railroad
Lessee: John J. Redfern, Jr.
Recording Data: Book 445, Page 2

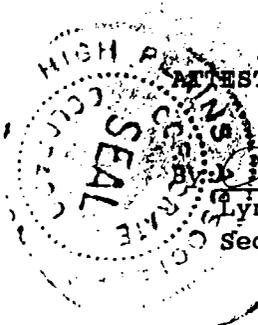
Lease No. 3:

Description: Township 29 North, Range 13 West, NMPM
Section 12: E2SW4
Acres: 80.00
Dated: April 1, 1948
Serial No.: SF-078931
Lessor: United States of America
Lessee: Glenn H. Callow
Recording Data: Not recorded

together with the rights incident thereto and the personal property thereon, appurtenant thereto, or used or obtained in connection therewith. This assignment is made without warranties whatsoever, either express or implied.

All of the provisions of this assignment shall be available to and binding upon the respective heirs, executors, administrators, successors, and assigns of the Assignor and Assignee herein.

EXECUTED this 7th day of March, 1995.

 HIGH PLAINS ASSOCIATES, INC.
BY: Lynne M. Romanchuk
Lynne M. Romanchuk
Secretary

HIGH PLAINS ASSOCIATES, INC.
By: Louis A. Oswald, III
Louis A. Oswald, III
President



Southern

Rockies

Business

Unit

February 14, 1995

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

RECEIVED FEB 16 1995

Re: Pictured Cliffs Well Proposal
Burnham Gas Com /B/ #1
SW/4 of Section 12-T29N-R13W
San Juan County, New Mexico

WORKING INTEREST OWNERS - ADDRESSEE LIST ATTACHED

Gentlemen:

Amoco Production Company is proposing to drill a Pictured Cliffs well on the captioned acreage. Enclosed for your review is an AFE outlining the estimated cost of the project. Also enclosed is an Operating Agreement which we are proposing to use to govern the operations of this well. Exhibit "A" of the Operating Agreement sets forth what our records indicate your interest to be in the Pictured Cliffs formation.

Please indicate your approval to join in this project by signing both the AFE and Operating Agreement and returning both to my attention as soon as possible. Because we must drill this well as a "package" with 5 other PC wells in order for it to be economic, we will proceed to initiate force-pooling measures to ensure the timely consolidation of all interests. If you have any questions, please feel free to contact me at (303) 830-4844.

Yours very truly,


Julie Talbot Jenkins
Senior Land Negotiator

JAT/ms
encl.

ADDRESSEE LIST
Burnham Gas Com /B/ #1

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

The Estate of John J. Redfern, Jr.
c/o John J. Redfern III, Independent Executor
P. O. Box 46
Midland, TX 79702

Kerr-McGee Corp.
P. O. Box 25861
Oklahoma City, OK 73125

Jack Markham
1500 Broadway
Lubbock, TX 79401

Richardson Production Company
1700 Lincoln, Suite 1700
Denver, CO 80203

Estate of John J. Christmann, deceased
c/o Christmann Mineral Company
1500 Broadway, Suite 800
Lubbock, TX 79407

Drilling Authorization

Property - Burnham Gas Com /B/, Well# 1

SAN JUAN County, NEW MEXICO

Property FLAC - 189553

Well FLAC -
Well Type - Gas

Operating Field -
Amoco Production Company

Operator: AMOCO PRODUCTION COMPANY
API#:

Operations Center: SAN JUAN OC
AMOCO's Interest: 0.5000000

LPN#: 687774---
Contract#: 000000

Targets - Total Depth: 1664			
Horizon	Reg. Field	Target Depth	
PC		1381	

Completion: Single

Surface Location: 850' FSL x 1230' FWL sec. 12 - T29N - R13W

Bottom Hole Location: Same

Cost Summary (Development)

	Gross Dry Hole	Gross Completion
Drilling Intangibles		
Drilling Cost:	\$36,000	\$36,000
Day Work:	\$2,160	\$4,260
Location:	\$5,000	\$5,000
Survey:	\$5,000	\$7,000
Mud:	\$7,000	\$7,000
Stimulation:	\$0	\$43,000
Other:	\$13,000	\$20,400
Total Intangible:	\$68,160	\$122,660
Well Equipment - Tangibles		
Casing:	\$8,500	\$8,500
Tubing:	\$0	\$4,600
Wellhead:	\$1,500	\$2,500
Other:	\$0	\$0
Total Tangible:	\$10,000	\$15,600
Contingency:	\$12,000	\$28,000
Associated Production Facility:		\$50,000
Direct Production Facility:		\$0
Total This Request:	\$90,160	\$216,260
Previous Estimate:	\$0	\$0
Total to Date Estimate:	\$90,160	\$216,260

Notice to Non-Operator: Cost shown on this form are estimates only. Non-Operators should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

Non-Operator: _____

By: _____ Date: _____

Contacts: **Technical**
 GREG E GROTKE
 P O BOX 800
 DENVER, CO, 80201-0800
 303-830-4079
 303-830-4777 FAX

Business
 Julie A Jenkins
 P O BOX 800
 DENVER, CO, 80201-0800
 (303) 830-4844
 (303) 830-4777 FAX



Southern

Rockies

Business

Unit

February 14, 1995

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

RECEIVED FEB 16 1995

Re: Pictured Cliffs Well Proposal
Burnham Gas Com /A/ #1
NW/4 of Section 12-T29N-R13W
San Juan County, New Mexico

WORKING INTEREST OWNERS - ADDRESSEE LIST ATTACHED

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Amoco Production Company is proposing to drill a Pictured Cliffs well on the captioned acreage. Enclosed for your review is an AFE outlining the estimated cost of the project. Also enclosed is an Operating Agreement which we are proposing to use to govern the operations of this well. Exhibit "A" of the Operating Agreement sets forth what our records indicate your interest to be in the Pictured Cliffs formation.

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Yours very truly,

Julie Talbot Jenkins
Senior Land Negotiator

JAT/ms
encl.

ADDRESSEE LIST
Burnham Gas Com /A/ #1

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

The Estate of John J. Redfern, Jr.
c/o John J. Redfern III, Independent Executor
P. O. Box 46
Midland, TX 79702

Flag-Redfern Oil Company
P. O. Box 11050
Midland, TX 79702

Robert Allen Markham
1500 Broadway, #1212
Lubbock, TX 79401

Manon Markham McMullen
2200 Berkeley
Wichita Falls, TX 76308

Richardson Production Company
1700 Lincoln, Suite 1700
Denver, CO 80203

Estate of John J. Christmann, deceased
c/o Christmann Mineral Company
1500 Broadway, Suite 800
Lubbock, TX 79407

Drilling Authorization

Property - Burnham Gas Com /A/, Well# 1

SAN JUAN County, NEW MEXICO

Operating Field -

Amoco Production Company

Property FLAC - 189552

Well FLAC -
Well Type - Gas

Operator: AMOCO PRODUCTION COMPANY

API#:

Operations Center: SAN JUAN OC

AMOCO's Interest: 0.8338000

LPN#: 687773---

Contract#: 000000

Targets - Total Depth: 1581

Horizon

Reg. Field

Target Depth

PC

1288

Completion: Single

Surface Location: 1450' FSL x 1520' FWL sec. 12 - T29N - R13W

Bottom Hole Location: Same

Cost Summary (Development)

Gross Dry Hole Gross Completion

Drilling Intangibles

Drilling Cost:	\$36,000	\$36,000
Day Work:	\$2,160	\$4,260
Location:	\$5,000	\$5,000
Survey:	\$5,000	\$7,000
Mud:	\$7,000	\$7,000
Stimulation:	\$0	\$43,000
Other:	\$13,000	\$20,400

Total Intangible: \$68,160 \$122,660

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Casing:	\$8,500	\$8,500
Tubing:	\$0	\$4,600
Wellhead:	\$1,500	\$2,500
Other:	\$0	\$0

Total Tangible: \$10,000 \$15,600

Contingency: \$12,000 \$28,000

Associated Production Facility: \$50,000

Direct Production Facility: \$0

Total This Request: \$90,160 \$216,260

Previous Estimate: \$0 \$0

Total to Date Estimate: \$90,160 \$216,260

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Non-Operator: _____

By: _____ Date: _____

Contacts:

Technical

GREG E GROTKE
P O BOX 800
DENVER, CO, 80201-0800
303-830-4079
303-830-4777 FAX

Business

Julie A Jenkins
P O BOX 800
DENVER, CO, 80201-0800
(303) 830-4844
(303) 830-4777 FAX



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.

This well will be located at a legal location in the NW/4 of Section 12, T29N-R13W, San Juan County, New Mexico. Our AFE dated March 6, 1995 is enclosed for your review. Should you desire to participate to the full extent of your interest in the drilling, testing and completion of this proposed well, please return an executed copy of the AFE to the undersigned by noon MST, March 13, 1995.

Upon receipt of your executed AFE, or by prior written request, we will forward our Joint Operating Agreement for your review and execution.

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

Christmann Mineral Company

March 6, 1995

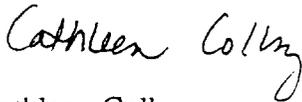
Page 2

1. Sell all of your leasehold interest for \$300.00 per net acre, with no additional overriding royalty reservations.
2. Sell all of your leasehold interest for \$150.00 per net acre, reserving a proportionate overriding royalty interest equal to the difference between existing burdens and 18%.
3. Enter into a farmout agreement covering all of your interest, giving Richardson 180 days in which to drill a well, reserving a proportionate nonconvertible overriding royalty interest equal to the difference between existing burdens and 20%.

Your response is respectfully requested by noon MST, March 13, 1995.

Should you have any questions, please do not hesitate to call.

RICHARDSON OPERATING COMPANY



Cathleen Colby
Land Manager



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 12-3 (A) PC, (B) FC Well
SW/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 and Fruitland Coal formations, anticipated total depth being 1,600 feet. The SW/4 of Section 12, Township 29 North, Range 13 West, NMPM will be dedicated as the proration unit for the Pictured Cliffs formation of the well. The W/2 of said Section 12 will be dedicated as the proration unit for the Fruitland Coal formation.

This well will be located at a legal location in the SW/4 of Section 12, T29N-R13W, San Juan County, New Mexico. Our AFE dated March 6, 1995 for a downhole commingled well is enclosed for your review. Costs shared by both formations will be allocated equally to each formation. Formation specific costs will be allocated directly to that formation. Should you desire to participate to the full extent of your interest in the drilling, testing and completion of this proposed well, please return an executed copy of the AFE to the undersigned by noon MST, March 13, 1995.

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Christmann Mineral 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
FAX (303) 830-8009

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:

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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Mr. Markham and Mrs. McMullen

March 6, 1995

Page 2

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RICHARDSON OPERATING COMPANY



Cathleen Colby
Land Manager



RICHARDSON OPERATING COMPANY

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

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

Dear Mr. Markham and Mrs. McMullen:

Richardson Operating Company proposes the drilling of a well to a depth sufficient to adequately test the Pictured Cliffs and Fruitland Coal formations, anticipated total depth being 1,600 feet. The SW/4 of Section 12, Township 29 North, Range 13 West, NMPM will be dedicated as the proration unit for the Pictured Cliffs formation of the well. The W/2 of said Section 12 will be dedicated as the proration unit for the Fruitland Coal formation.

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Mr. Markham and Mrs. McMullen

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
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

Page 2

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RICHARDSON OPERATING COMPANY



Cathleen Colby
Land Manager



RICHARDSON OPERATING COMPANY

1700 Lincoln, Suite 1700
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 12-3 (A) PC, (B) FC Well
SW/4-Section 12-T29N-R13W
San Juan County, New Mexico

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March 6, 1995

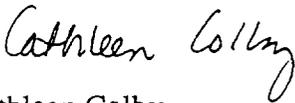
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RICHARDSON OPERATING COMPANY



Cathleen Colby
Land Manager



RICHARDSON OPERATING COMPANY

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

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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Mrs. Rosalind Redfern

March 6, 1995

Page 2

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RICHARDSON OPERATING COMPANY



Cathleen Colby
Land Manager



RICHARDSON OPERATING COMPANY

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Denver, Colorado 80203 (303) 830-8000
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 12-3 (A) PC, (B) FC Well
SW/4-Section 12-T29N-R13W
San Juan County, New Mexico

Dear Mrs. Redfern:

Richardson Operating Company proposes the drilling of a well to a depth sufficient to adequately test the Pictured Cliffs and Fruitland Coal formations, anticipated total depth being 1,600 feet. The SW/4 of Section 12, Township 29 North, Range 13 West, NMPM will be dedicated as the proration unit for the Pictured Cliffs formation of the well. The W/2 of said Section 12 will be dedicated as the proration unit for the Fruitland Coal formation.

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Mrs. Rosalind Redfern

March 6, 1995

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Should you have any questions, please do not hesitate to call.

RICHARDSON OPERATING COMPANY



Cathleen Colby
Land Manager



RICHARDSON OPERATING COMPANY

1700 Lincoln, Suite 1700
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
ROPCO Fee 12-3 (A) PC, (B) FC Well
SW/4-Section 12-T29N-R13W
San Juan County, New Mexico

Dear Ms. Jenkins:

Richardson Operating Company proposes the drilling of a well to a depth sufficient to adequately test the Pictured Cliffs and Fruitland Coal formations, anticipated total depth being 1,600 feet. The SW/4 of Section 12, Township 29 North, Range 13 West, NMPM will be dedicated as the proration unit for the Pictured Cliffs formation of the well. The W/2 of said Section 12 will be dedicated as the proration unit for the Fruitland Coal formation.

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Amoco Production Company

March 6, 1995

Page 2

1. Sell all of your leasehold interest for \$300.00 per net acre, with no additional overriding royalty reservations.
2. Sell all of your leasehold interest for \$150.00 per net acre, with Amoco reserving a proportionate overriding royalty interest equal to the difference between existing burdens and 18%.
3. Enter into a farmout agreement covering all of Amoco's interest, giving Richardson 180 days in which to drill a well, with Amoco reserving a proportionate nonconvertible overriding royalty interest equal to the difference between existing burdens and 20%.

Your response is respectfully requested by noon MST, March 13, 1995.

Should you have any questions, please do not hesitate to call.

RICHARDSON OPERATING COMPANY



Cathleen Colby
Land Manager



RICHARDSON OPERATING COMPANY

1700 Lincoln, Suite 1700
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
ROPCO Fee 12-4 PC Well
NW/4-Section 12-T29N-R13W
San Juan County, New Mexico

Dear Ms. Jenkins:

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.

This well will be located at a legal location in the NW/4 of Section 12, T29N-R13W, San Juan County, New Mexico. Our AFE dated March 6, 1995 is enclosed for your review. Should you desire to participate to the full extent of your interest in the drilling, testing and completion of this proposed well, please return an executed copy of the AFE to the undersigned by noon MST, March 13, 1995.

Upon receipt of your executed AFE, or by prior written request, we will forward our Joint Operating Agreement for your review and execution.

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

Amoco Production Company

March 6, 1995

Page 2

1. Sell all of your leasehold interest for \$300.00 per net acre, with no additional overriding royalty reservations.
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Your response is respectfully requested by noon MST, March 13, 1995.

Should you have any questions, please do not hesitate to call.

RICHARDSON OPERATING COMPANY



Cathleen Colby
Land Manager

**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 Formation: Commingled Pictured Cliffs and
Fruitland Coal

I. Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Actual
Survey and Permits -----		1,500		
Title Opinion & 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 Lining-----		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				
Rig 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 Location-----		1,500		
Engineering-----		5,500		
Treater-----	5,000			
Flowline-----	5,000			
Tank & Fittings-----	4,000			
Gravel-----		1,000		
Workover Rig-----		15,000		
Completion Fluids-----		2,000		
El Paso Hookup-----		13,000		
Division Order-----		1,000		
Frac Tank Rental-----		1,000		
Flowback-----		2,000		
Fence Location-----	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 _____

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

 *** ACTIVITY REPORT ***

ACTY#	MODE	CONNECTION TEL	CONNECTION ID	START TIME	USAGE T.	PAGES	RESULT
*1681	TX	G3 15058278177		03/06 13:48	00'40	1	OK
*1682	TX	ECM 13125270484		03/06 14:07	03'40	8	OK
*1683	TX	ECM 8304275	Amoco	03/06 14:24	02'36	6	OK
*1684	TX	ECM 19156825639	Redfern	03/06 14:28	02'31	5	OK
*1685	TX	ECM 14052702248	Kerr-McGee	03/06 14:31	02'29	5	OK
*1686	TX	8067638017		03/06 14:33	00'00	0	NG 0 STOP
*1687	TX	ECM 18067638017	Markham	03/06 14:34	02'45	6	OK
*1688	TX	8067474542		03/06 14:37	00'00	0	NG 0 STOP
*1689	TX	18067474542		03/06 14:38	00'00	0	NG 0 STOP
*1690	TX	G3 18067474544	Christmann	03/06 14:42	03'45	6	OK
*1691	AUTO RX	ECM		03/06 15:04	08'53	6	OK
*1692	TX	ECM 19156825639	Redfern	03/06 15:14	00'52	2	OK
*1693	TX	ECM 8304777	Amoco	03/06 15:19	02'35	6	OK
*1694	TX	ECM 8308815	RANDY PHARO	03/06 15:26	00'48	2	OK
*1695	TX	G3 12143920456		03/06 15:34	00'39	1	OK
*1696	AUTO RX	ECM 8308815		03/06 15:38	02'31	5	OK
*1697	AUTO RX	G3 303 660 9057		03/06 15:42	01'21	3	OK
*1698	AUTO RX	ECM 21		03/06 15:59	04'37	12	OK
*1699	AUTO RX	G3 303 660 9057		03/06 16:39	06'47	7	OK
*1700	TX	ECM 8308815	RANDY PHARO	03/06 16:49	00'26	1	OK
*1701	AUTO RX	ECM 8308815		03/06 16:57	02'39	5	OK
*1702	AUTO RX	G3 307 783 2982		03/06 17:06	03'13	4	OK
*1703	TX	ECM 6946761		03/06 17:15	02'42	5	OK
*1705	TX	ECM 2949878		03/06 17:18	02'46	5	OK
*1704	TX	G3 6900861		03/06 17:22	03'33	5	OK
1706	TX	ECM 5730813		03/06 17:52	09'55	12	OK
1707	AUTO RX	ECM 303 573 0813		03/06 18:04	01'18	4	OK
1708	TX	G3 19155413405		03/06 18:21	01'35	3	OK
1709	AUTO RX	G3 3129230097		03/06 19:19	02'34	4	OK
1710	AUTO RX	G3		03/07 01:57	00'30	1	OK
1711	AUTO RX	G3 406 272 1664		03/07 08:46	01'14	3	OK
1712	AUTO RX	G3		03/07 09:10	01'43	2	OK
1713	AUTO RX	G3 210 824 1488		03/07 09:14	00'53	2	OK
1714	AUTO RX	ECM 8012981112		03/07 09:29	00'23	1	OK
1715	AUTO RX	G3		03/07 09:48	07'58	9	OK
1716	AUTO RX	G3		03/07 09:59	01'34	3	OK
1717	AUTO RX	ECM		03/07 10:53	01'00	2	OK
1718	AUTO RX	G3		03/07 11:02	00'38	2	OK
1719	TX	ECM 13073589611	LEON TOWELL	03/07 11:06	00'37	1	OK
1720	TX	G3 17018422850		03/07 11:09	01'21	2	OK



MAR 07 '95 03:47PM AMOCO 12TH FLOOR 3038304777
 Facsimile Transmission
 16-717-3 (E-90)

o CATHLEEN COLBY
 RICHARDSON OP. CO.
 DENVER
 FAX Number
 830-8009
 FAX Operator's Number for Confirmation

F
R
O
M

P. 1
 JULIE JENKINS
 AMOCO
 DENVER
 Mail Code
 FAX Telephone Number
 Voice Telephone Number

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,

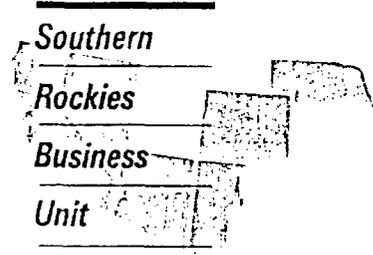
Julie Jenkins

cc: Greg Grotke

Dana
Tom



March 9, 1995



RECEIVED MAR 15 1995

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
2040 S. Pacheco Street
P.O. Box 6429
Santa Fe, NM 87505

Application For Compulsory Pooling
W/2 Section 12-T29N-R13W
Basin Fruitland Coal Pool
NW/4 Section 12-T29N-R13W and
SW/4 Section 12-T29N-R13W
Undesignated-West Kutz Pictured Cliffs Pool
San Juan County, New Mexico

Amoco Production Company hereby makes application for compulsory pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the W/2 of Section 12, T29N-R13W in the following manner: the W/2 thereby forming a standard 320 acre gas spacing and proration unit for the Basin Fruitland Coal Pool to be dedicated to the Burnham Gas Com /B/ #1 Well to be drilled at a standard location in the SW/4; the SW/4 thereby forming a standard 160 acre gas spacing and proration unit for the Undesignated-West Kutz Pictured Cliffs Pool also to be dedicated to the Burnham Gas Com /B/ #1 Well to be drilled at a standard location in the SW/4; and the NW/4 thereby forming a standard 160 acre gas spacing and proration unit for the Undesignated-West Kutz Pictured Cliffs Pool to be dedicated to the Burnham Gas Com /A/ #1 Well to be drilled at a standard location in the NW/4.

In support of this application, Amoco states that it is the owner of majority of the working interest in the Basin Fruitland Coal and Undesignated-West Kutz Pictured Cliffs Pools in the W/2 of Section 12, T29N-R13W and should be named operator of the above referenced wells. The hearing should also consider cost of drilling and completing said wells and allocation of such costs as well as actual operating costs and charges for supervision and a charge for risk involved in drilling said wells.

A copy of this application will be submitted to the owners of uncommitted leasehold interests by certified mail. Amoco respectfully requests that this application be set for hearing on the April 6, 1995 docket.

J. W. Hawkins
J. W. Hawkins

cc: Julie Jenkins



Southern

Rockies

Business

Unit

March 13, 1995

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Re: Fruitland Coal/Pictured Cliffs Well Proposal
Burnham Gas Com /B/ #1
W/2 of Section 12-T29N-R13W
San Juan County, New Mexico

RECEIVED

WORKING INTEREST OWNERS - ADDRESSEE LIST ATTACHED

Gentlemen:

Reference is made to our previous letter dated February 14, 1995 proposing to drill a Pictured Cliffs well in the SW/4 of Section 12-T29N-R13W, San Juan County, New Mexico. Amoco Production Company now wishes to propose to drill a Fruitland Coal/Pictured Cliffs downhole commingled well on the captioned acreage. The spacing unit for the Fruitland Coal well will be the W/2 of Section 12 and the spacing unit for the Pictured Cliffs formation will be the SW/4 of Section 12. Enclosed for your review are two AFE's outlining the estimated cost of the project. One AFE shows the costs that will be borne by the Fruitland Coal owners and the other shows costs that will be borne by the Pictured Cliffs owners. Also enclosed is a new Operating Agreement which we are proposing to use to govern the operations of this well. Exhibit "A" of the Operating Agreement sets forth what our records indicate your interest to be in the Fruitland Coal and Pictured Cliffs formations.

Please indicate your approval to join in this project by signing both the AFE and Operating Agreement and returning both to my attention as soon as possible. If you have any questions, please feel free to contact me at (303) 830-4844.

Yours very truly,

Julie Talbot Jenkins
Senior Land Negotiator

JAT/ms
encl.

ADDRESSEE LIST
Burnham Gas Com /B/ #1

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

The Estate of John J. Redfern, Jr.
c/o John J. Redfern III, Independent Executor
P. O. Box 50896
Midland, TX 79710-0896

Kerr-McGee Corporation
P. O. Box 25861
Oklahoma City, OK 73125-0861

Jack Markham
1500 Broadway, Suite 1212
Lubbock, TX 79401-3192

Manon Markham McMullen
2200 Berkeley
Wichita Falls, TX 76308

Roderick Allen Markham
1500 Broadway, Suite 1212
Lubbock, TX 79401

Richardson Production Company
1700 Lincoln, Suite 1700
Denver, CO 80203

Estate of John J. Christmann, deceased
c/o Christmann Mineral Company
1500 Broadway, Suite 800
Lubbock, TX 79401-3104

Drilling Authorization

Property - Burnham Gas Com /B/, Well# 1

SAN JUAN County, NEW MEXICO

Property FLAC - 189553

Operating Field -

Well FLAC -
Well Type - Gas

Amoco Production Company

Operator: AMOCO PRODUCTION COMPANY
API#:

Operations Center: SAN JUAN OC
AMOCO's Interest: 0.5000000

LPN#: 687774---
Contract#: 000000

Comments to Partners: This Cost estimate is revised to include a portion of the drilling and facilities and the PC completion in the proposed PC/IT commingled dual. The other portion of the drilling and facilities will be allocated to the Fruitland Coal working interest owners.

Targets - Total Depth: 1664

Horizon
PC

Reg. Field

Target Depth
1381

Completion: Single

Surface Location: 850' FSL x 1230' FWL sec. 12 - T29N - R13W

Bottom Hole Location: Same

Cost Summary (Development)

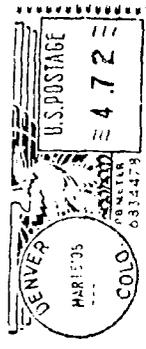
	Gross Dry Hole	Gross Completion
Drilling Intangibles		
Drilling Cost:	\$18,000	\$18,000
Day Work:	\$1,080	\$3,180
Location:	\$2,500	\$2,500
Survey:	\$2,500	\$4,500
Mud:	\$3,500	\$3,500
Stimulation:	\$0	\$32,000
Other:	\$6,500	\$13,900
<hr/>		
Total Intangible:	\$34,080	\$77,580
Well Equipment - Tangibles		
Casing:	\$4,250	\$4,250
Tubing:	\$0	\$2,300
Wellhead:	\$750	\$1,250
Other:	\$0	\$0
<hr/>		
Total Tangible:	\$5,000	\$7,800
Contingency:	\$6,000	\$17,000
Associated Production Facility:		\$25,000
Direct Production Facility:		\$0
<hr/>		
Total This Request:	\$45,080	\$127,380
Previous Estimate:	\$0	\$0
Total to Date Estimate:	\$45,080	\$127,380

Notice to Non-Operator: Cost shown on this form are estimates only. Non-Operators should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

Non-Operator: _____
By: _____ Date: _____

Contacts: **Technical**
GREG E GROTHE
P O BOX 800
DENVER, CO, 80201-0800
303-830-4079
303-830-4777 FAX

Business
Julie A Jenkins
P O BOX 800
DENVER, CO, 80201-0800
(303) 830-4844
(303) 830-4777 FAX



Fold at line over top of envelope to the
right of the return address

CERTIFIED

Z 365 302 210

MAIL

Amoco Production Company
P.O. Box 800
Denver, Colorado 80201



RICHARDSON PRODUCTION COMPANY
1700 LINCOLN #1700
DENVER CO 80203

First Class Mail