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W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
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JASON KELLAHIN (RETIRED 1991)

March 14, 1995

HAND DELIVERED

Mr. Michael E. Stogner
Chief Hearing Examiner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87502

11246
RECEIVED

MAR 14 1995

Oil Conservation Division

Re: ROPCO Fee 12-4 Well
NW/4 Section 12, T29N, R13W, NMPM
Application of Richardson Operating
Company for Compulsory Pooling and
an Unorthodox Gas Well Location,
San Juan County, New Mexico

Dear Mr. Stogner:

On behalf of Richardson Operating Company, please find enclosed our application for compulsory pooling, downhole commingling and a potential unorthodox gas well location which we request be set for hearing on the Examiner's docket now scheduled for April 6, 1995. Also enclosed is our proposed notice of publication for this case.

By copy of this letter, including the application, to all affected parties, we are notifying them by certified mail-return receipt requested, that they have the right to appear at the hearing, to make a statement to the Division, to present evidence and cross-examine witnesses either in support of or in opposition to the application.

Oil Conservation Division
March 14, 1995
Page 2.

Pursuant to the Division's Memorandum 2-90, all interested parties are hereby informed that if they appear in the case, then they are requested to file a Pre-Hearing Statement with the Division not later than 4:00 pm on Friday, March 31, 1995, with a copy delivered to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', written over a circular stamp or mark.

W. Thomas Kellahin

Enclosure:

cc: Richardson Operating Company
BY CERTIFIED MAIL-RETURN RECEIPT REQUESTED
to: all parties listed in application

PROPOSED ADVERTISEMENT FOR NMOCD DOCKET

CASE 11246: Application of Richardson Operating Company for compulsory pooling and an unorthodox gas well location, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the NW/4 of Section 12, T29N, R13W, NMPM, San Juan County, New Mexico, forming standard 160-acre spacing and proration unit for production from the Fulcher Kutz-Pictured Cliffs Gas Pool or the West Kutz-Pictured Cliffs Gas Pool to be dedicated to Richardson Operating Company's ROPCO Fee 12-4 Well which is to be located at a potential unorthodox gas well location within 200 feet of a point 1470 feet from the North line and 1500 feet from the West line of said Section 12. Also to be considered will be the costs of participation in said well, including but not limited to the costs of drilling, completing and equipping, with the inclusion of a risk factor penalty and the allocation of those costs and income therefor as well as actual operating costs and charges for supervision, and the designation of applicant as the operator of the well.

Said well is located approximately 1/2 mile southeast of Farmington, New Mexico.

RECEIVED
MAR 14 1995
Oil Conservation Division

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

IN THE MATTER OF THE APPLICATION
OF RICHARDSON OPERATING COMPANY
FOR COMPULSORY POOLING AND AN
UNORTHODOX GAS WELL LOCATION,
SAN JUAN COUNTY, NEW MEXICO.

RECEIVED

MAR 14 1995

Oil Conservation Division

CASE NO. 11246

A P P L I C A T I O N

Comes now RICHARDSON OPERATING COMPANY, by its attorneys, Kellahin & Kellahin, and in accordance with Section 70-2-17(c) (1978) applies to the New Mexico Oil Conservation Division for an order pooling all mineral interests in the Pictured Cliffs formation underlying the NW/4 of Section 12, T29N, R13W, NMPM, San Juan County, New Mexico, forming standard 160-acre spacing and proration unit to be dedicated to Richardson Operating Company's ROPCO Fee 12-4 Well which is to be located at a potential unorthodox gas well location within 200 feet of a point 1470 feet from the North line and 1500 feet from the West line of said Section 12 for production from the Fulcher Kutz-Pictured Cliffs Gas Pool or the West Kutz-Pictured Cliffs Gas Pool. Also to be considered will be the costs of participation in said well, including but not limited to the costs of drilling, completing and equipping, with the inclusion of a risk factor penalty and the allocation of those costs and income therefor as well as actual operating costs and charges for supervision, and the designation of applicant as the operator of the well.

In support of its application, Richardson Operating Company ("Richardson") states:

1. Richardson has a working interest ownership in the oil and gas minerals underlying the NW/4 of Section 12, T29N, R13W, NMPM, San Juan County, New Mexico.

NMOCD Application
Richardson Operating Company
Page 2

2. In order to minimize surface disturbance within the NW/4 of said Section 12, Richardson seeks approval to locate its ROPCO Federal 12-4 Well at a point within 200 feet radius of the Amoco Burnham Gas Com Well No. 1-E, which is an existing Dakota producing well located 1470 feet FNL and 1500 feet FWL of said Section 12.

3. Richardson has proposed to the other working interest owners that this well be drilled and completed for potential production from any Pictured Cliffs formation and dedicated to a 160-acre gas spacing and proration unit consisting of the NW/4 of said Section for production from either the Fulcher Kutz-Pictured Cliffs Gas Pool or the West Kutz-Pictured Cliffs Gas Pool.

4. Despite its good faith efforts, Richardson has been unable to obtain a written voluntary agreement from one of the working interest parties, Amoco Production Company.

5. Pursuant to Section 70-2-17(c) NMSA (1978) and in order to obtain its just and equitable share of production from the subject well and this spacing unit, Richardson needs an order of the Division pooling the identified and described mineral interests of Amoco Production Company in order to protect correlative rights and prevent waste.

6. In accordance with the Division's notice requirements, a copy of this application has been sent to:

Amoco Production Company
P. O. Box 800
Denver, Colorado, 80201
Attn: Ms. Julie Talbot Jenkins

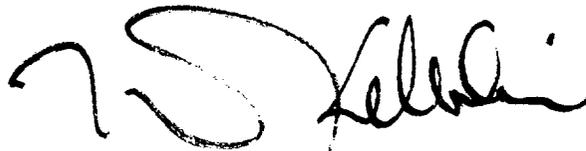
7. In addition, a copy of this application is being sent to all interest owners in this spacing unit and appropriate offsetting operators as shown on Exhibit "A" attached.

8. Richardson requests that this matter be set for a hearing before the Division on the next available Examiner's docket now scheduled for April 6, 1995.

WHEREFORE, Richardson, as applicant, requests that this application be set for hearing on April 6, 1995 before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the mineral interest described in this spacing unit for the drilling, completion and operations of the subject well at a potentially unorthodox gas well location upon terms and conditions which include:

- (1) Richardson Operating Company be named operator;
- (2) provisions for each working interest owner to participate in any production by reimbursing the applicant for the value of the costs of drilling, completing, equipping and operating said well;
- (3) In the event a working interest owner fails to elect to participate, then provisions be made to recover out of production, reimbursement to the applicant for the costs of drilling, completing, equipping and operating the well, including a risk factor penalty of 200%;
- (4) Provision for overhead rates of \$3500 per month drilling and \$450 per month operating and a provision providing for an adjustment method of the overhead rates as provided by COPAS; and
- (5) For such other and further relief as may be proper.

RESPECTFULLY SUBMITTED:



W. THOMAS KELLAHIN
KELLAHIN & KELLAHIN
P. O. Box 2265
Santa Fe, New Mexico 87501
(505) 982-4285

Case 11246

Royalty Owners and Overriding Royalty Owners:

Bernice A. Burnham Revocable Living Trust
c/o Burnham Realty
3300 Burnham Road
Farmington, NM 87401

Sammy B. Reiser
P.O. Box 190
Windsor, CO 80550

Teddy A. Reiser
9914 Lawndale
Kansas City, MO 64137

Hugh J. Mitchell, Trustee of the Hugh J.
Mitchell and Raimonda Mitchell Revocable Trust
4240 N. Buena Vista Avenue
Farmington, NM 87401

Weldon C. Julander and Ila Mae Julander
P.O. Box 2773
Littleton, CO 80161

Earl A. Rogers
P.O. Box 5195
Abeline, TX 79608-5915

Paula A. Maxwell
300 Lila Lane #10
Athens, TX 75751

Wayne Tarpley
P.O. Box 337
Aztec, NM 87410

Northern Specialty Company, Incorporated
c/o J.C. Patterson
308 S. Ivie Avenue
Farmington, NM 87401

Glenn P. Wycoff
11206 County Road 213
Durango, CO 81301

City of Farmington
800 Municipal Drive
Farmington, NM 87401

Ruth Tanner Wheeler
2655 N. Olympic Circle
Mesa, Arizona 85205

J. J. DeWeerd
730 Country Club Drive
Silver City, NM 88061

The Denver and Rio Grande Western Railroad
c/o Mr. Bill Miller
555 17th Street, Suite 2400
Denver, CO 80202-3987

Fred A. Mossman and Mary K. Mossman Trust
c/o Edward Gladden, Co-Trustee
2700 San Mateo NE

NOTIFICATION LIST - ROPCO Fee 12-4

Working Interest Owners:

Christmann Mineral Company
1500 Broadway, Suite 800
Lubbock, TX 79401

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

Manon Markham McMullen
2200 Berkley
Wichita Falls, TX 76308

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

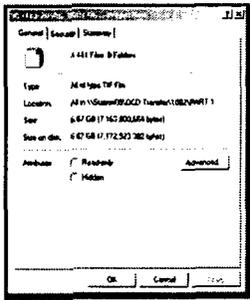
Richardson Production Company
1700 Lincoln, Suite 1700
Denver, CO 80203

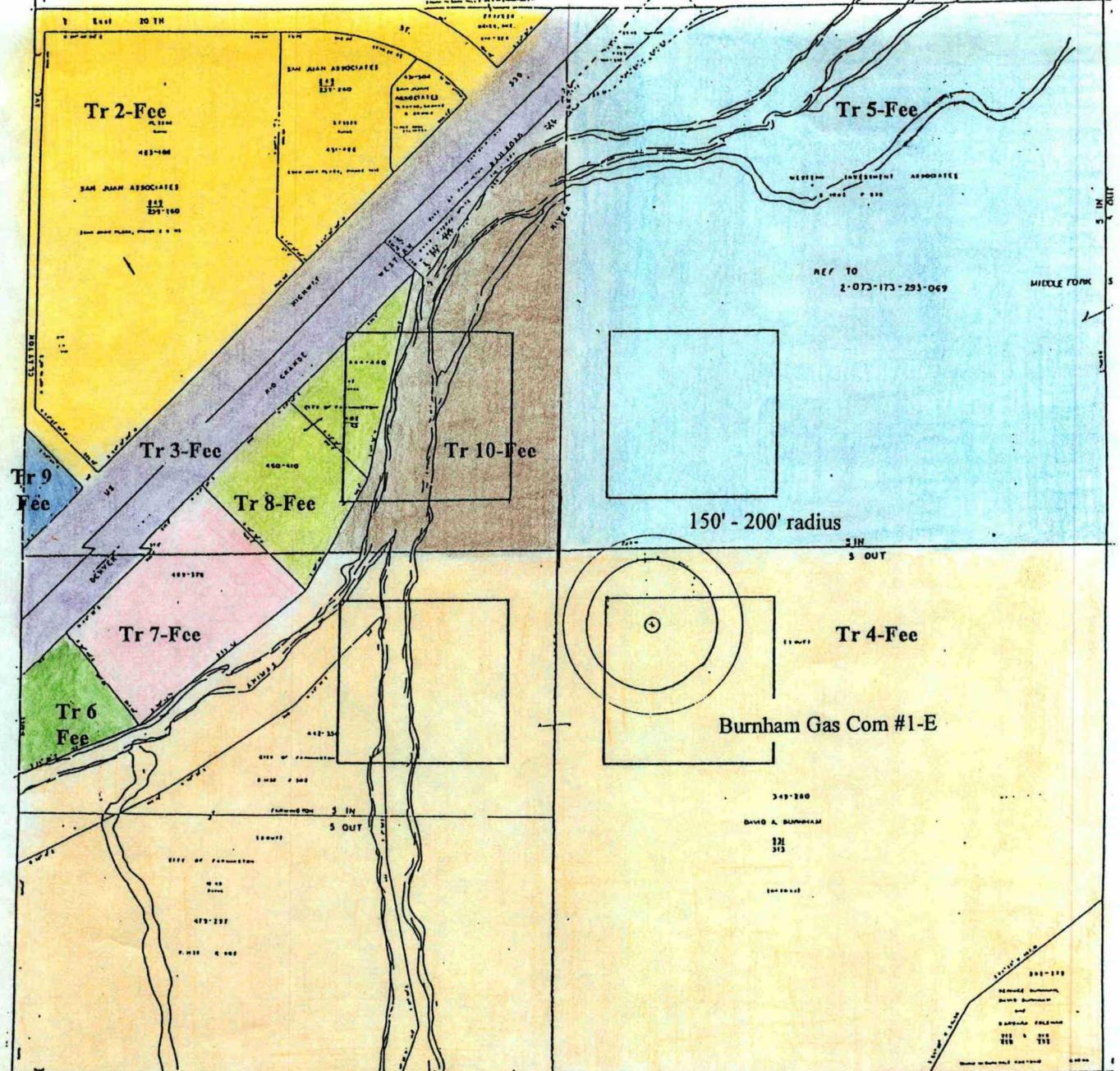
Kerr-McGee Corporation
P.O. Box 25861
Oklahoma City, OK 73125

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

Offset Pictured Cliffs Operators:

BHP Petroleum (Americas) Inc.
1360 Post Oak Boulevard, Suite 500
Houston, TX 77056

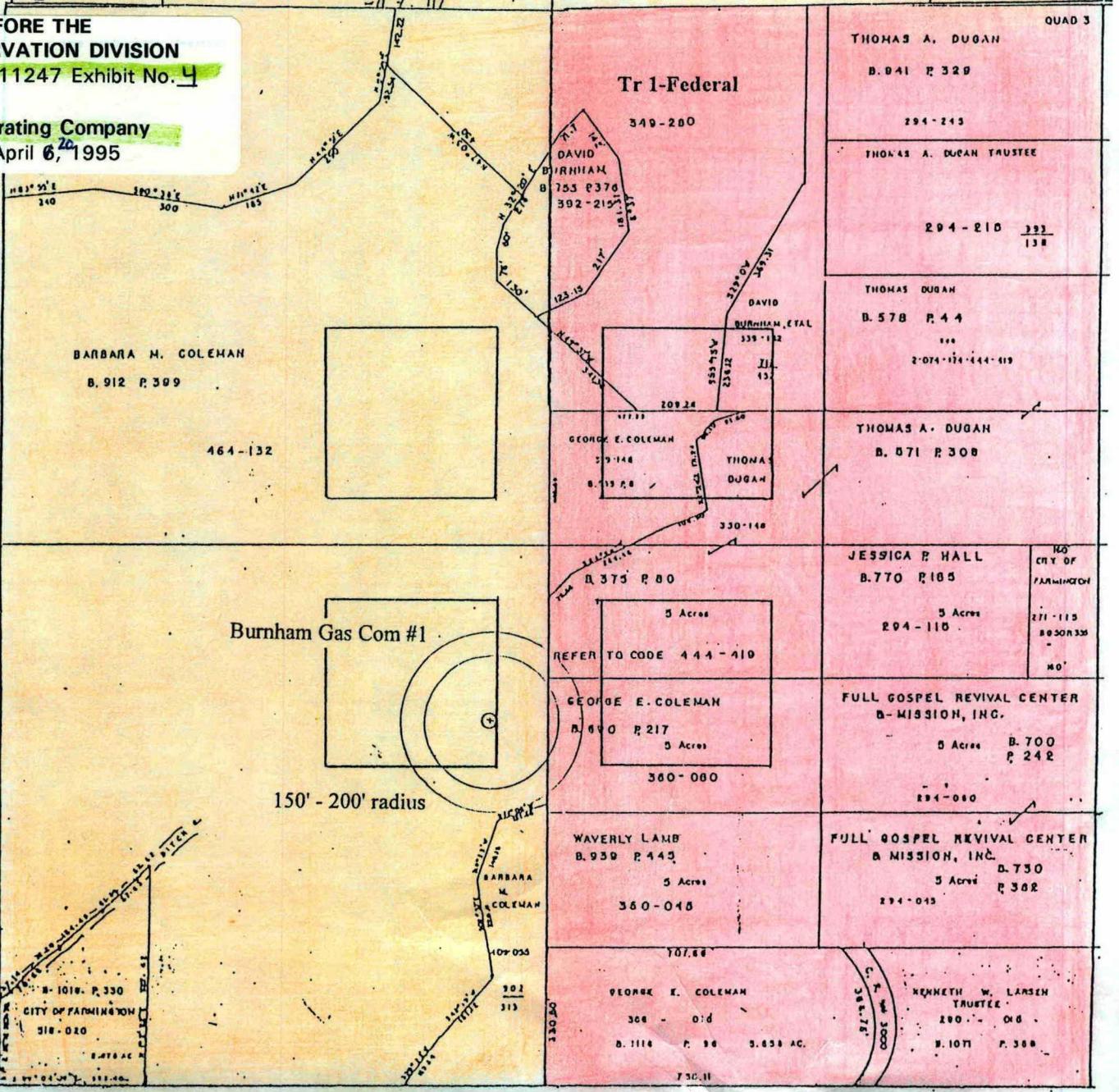




**BEFORE THE
OIL CONSERVATION DIVISION**
 Case No. 11246/11247 Exhibit No. 4
 Submitted By:
Richardson Operating Company
 Hearing Date: April 6, 1995

ROPCO Fed
 12-3 (B) FC
 W/2-Sec 12
 T29N-R13W
 San Juan
 County,
 New Mexico

- Tr 1 80.00
- Tr 2 22.20
- Tr 3 4.39
- Tr 4 153.93
- Tr 5 40.00
- Tr 6 1.33
- Tr 7 4.24
- Tr 8 3.63
- Tr 9 1.82
- Tr 10 8.46



CITY OF FARMINGTON
 318-020
 318-020
 318-020

Site Administration Help

Each module has several icons available that represent either form-specific actions or navigation. The Navigation Icons are located at the bottom of the screen in an area labeled as "Control Pad". The Navigation Icons are show below:

-  **Return to Main Menu** - Clicking this icon will return the user to this screen.
-  **Help** - Clicking this icon will show the module's help screen.
-  **Search Records** - Clicking this icon will show the module's search screen.
-  **Create Records** - Clicking this icon will show the module's record creation screen.
-  **First Record** - Clicking this icon will take the user to the first available record in the module.
-  **Previous Record** - Clicking this icon will take the user to the previous record in the module.
-  **Next Record** - Clicking this icon will take the user to the next available record in the module.
-  **Last Record** - Clicking this icon will take the user to the last available record in the module.

The Form-Specific Action Icons are show below:

-  **Save Record** - Clicking this icon will save the current new or existing record.
-  **Search Records** - Clicking this icon will show the module's search screen.
-  **Reset Form** - Clicking this icon will reset the current form to its original state.
-  **Delete Record** - Clicking this icon will delete the current record.

General Help

The modules all have a common look and feel. You will see one of five possible views when working within any of the modules:

- **Help Screen** - Shows the module-specific help text. Both functionality and field definitions are explained.
- **Search Form Screen** - Shows the search form for the module. This form allows you to search against most of the fields in any given module.
- **Search Results Screen** - Shows resulting list of records for the search form. Clicking a magnifying glass will show a record's detail.
- **Record Detail Screen** - Shows the details for a record. Records can be modified and saved in this view.
- **New Record Screen** - Shows the record creation form.

Well Files - OCD regulatory documents for a single well including drilling permits, sundry reports, completion reports, letters, etc.

Specific Information –

API Number: Search by the API (The American Petroleum Institute) Number of the well (example: 30-045-01234). **The first three numbers are provided** at the beginning of the input box. This box will only accept numeric characters.

Location Information - Search by the five sections of the ULSTR number (11-N-111-E-11-1A)

Unit Letter: The sixth and last section of the ULSTR number. (11-N-111-E-11-1A)

Section: The fifth section of the ULSTR number. (11-N-111-E-11-1A)

Township: The first section of the ULSTR number. (11-N-111-E-11-1A)

North (radio button) - The second and last section of the ULSTR number. (11-N-111-E-11-1A)

South (radio button) - The second and last section of the ULSTR number. (11-S-111-E-11-1A)

Half (check box) - ! I have no clue!

Range: The third section of the ULSTR number. (11-N-111-E-11-1A)

East (radio button) - The fourth section of the ULSTR number. (11-N-111-E-11-1A)

West (radio button) - The fourth section of the ULSTR number. (11-N-111-W-11-1A)

County: Search by one of the counties of New Mexico

Well Information

Well Name: Search by the name of the well. Search with the options Is Exactly, Contains, Begins With or Ends With contained in the drop down menu.

Well Number: Search by the number of the well. (Example: 12 or 345A)

Operator Name: Search by the name of the well. Search with the options Is Exactly, Contains, Begins With or Ends With contained in the drop down menu.

Pool Name: Search by the name of the well. Search with the options Is Exactly, Contains, Begins With or Ends With contained in the drop down menu.

Document Scan Information

Scan Date: Search by the document scan date. (Example: 12/1/2002)

Log Files - Electric wireline logs run in a well and submitted to the OCD.

Specific Information –

API Number: Search by the API (The American Petroleum Institute) Number of the well (example: 30-045-01234). **The first three numbers are provided** at the beginning of the input box. This box will only accept numeric characters.

Location Information - Search by the five sections of the ULSTR number (11-N-111-E-11-1A)

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Section: The fifth section of the ULSTR number. (11-N-111-E-11-1A)

Township: The first section of the ULSTR number. (11-N-111-E-11-1A)

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South (radio button) - The second and last section of the ULSTR number. **(11-S-111-E-11-1A)**
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Pool Name: Search by the name of the well. Search with the options Is Exactly, Contains, Begins With or Ends With contained in the drop down menu.

Document Scan Information

Scan Date: Search by the document scan date. (Example: 12/1/2002)

Administrative/Environmental Orders - OCD administrative orders such as NSL's, DHC, WFX, NSP's and others, and OCD environmental permits and orders.

Specific Information –

Order Type:

Order Number/ Amendment:

General Information

Order Type:

Order Date:

Facility Information – These two fields apply only to Environmental Orders.

Facility Type:

Facility Name:

Location Information - Search by the five sections of the ULSTR number (11-N-111-E-11-1A)

Unit Letter: The sixth and last section of the ULSTR number. **(11-N-111-E-11-1A)**

Section: The fifth section of the ULSTR number. **(11-N-111-E-11-1A)**

Township: The first section of the ULSTR number. **(11-N-111-E-11-1A)**

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County: Search by one of the counties of New Mexico

Well Information

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Well Number: Search by the number of the well. (Example: 12 or 345A)

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Pool Name: Search by the name of the well. Search with the options Is Exactly, Contains, Begins With or Ends With contained in the drop down menu.

Hearing Orders - Orders issued by an OCD examiner or by the Commission after a public hearing.

Specific Information – *Note: Hearing Orders issued prior to 1950 do not have an "R-" prefix.*

Hearing Order Number/Amendment: (example: R-12345a)

Case Number:

General Information

Case Type:

Hearing Date:

Order Date:

Examiner:

Primary Pool:

County:

Applicant Name:

Hearing Order Text: Enter Hearing Order text to search for. Use commas to separate search words and phrases.

Case Files - Official record of a case including pre-hearing documents, transcripts, and exhibits.

Specific Information – *Note: Hearing Orders issued prior to 1950 do not have an "R-" prefix.*

Case Number: (example: 12345)

Case Information

Order Number:

Case Type:

Applicant Name: Search by the name of the applicant. Search with the options Is Exactly, Contains, Begins With or Ends With contained in the drop down menu.

Filing Date: Search by the filing date. Search with the options Is Exactly, Contains, Begins With or Ends With contained in the drop down menu.

Primary Pool:

County: