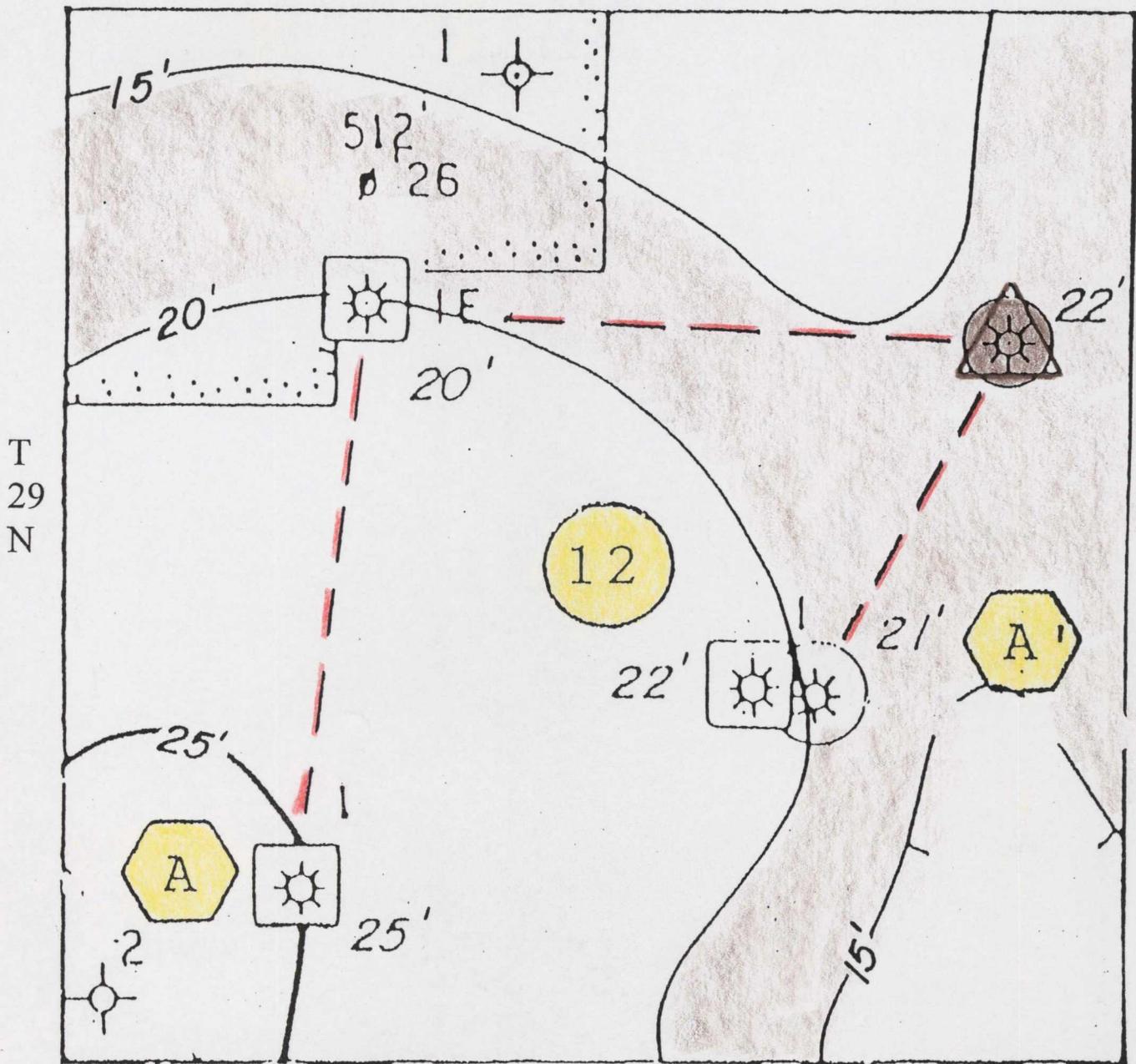


R 13 W



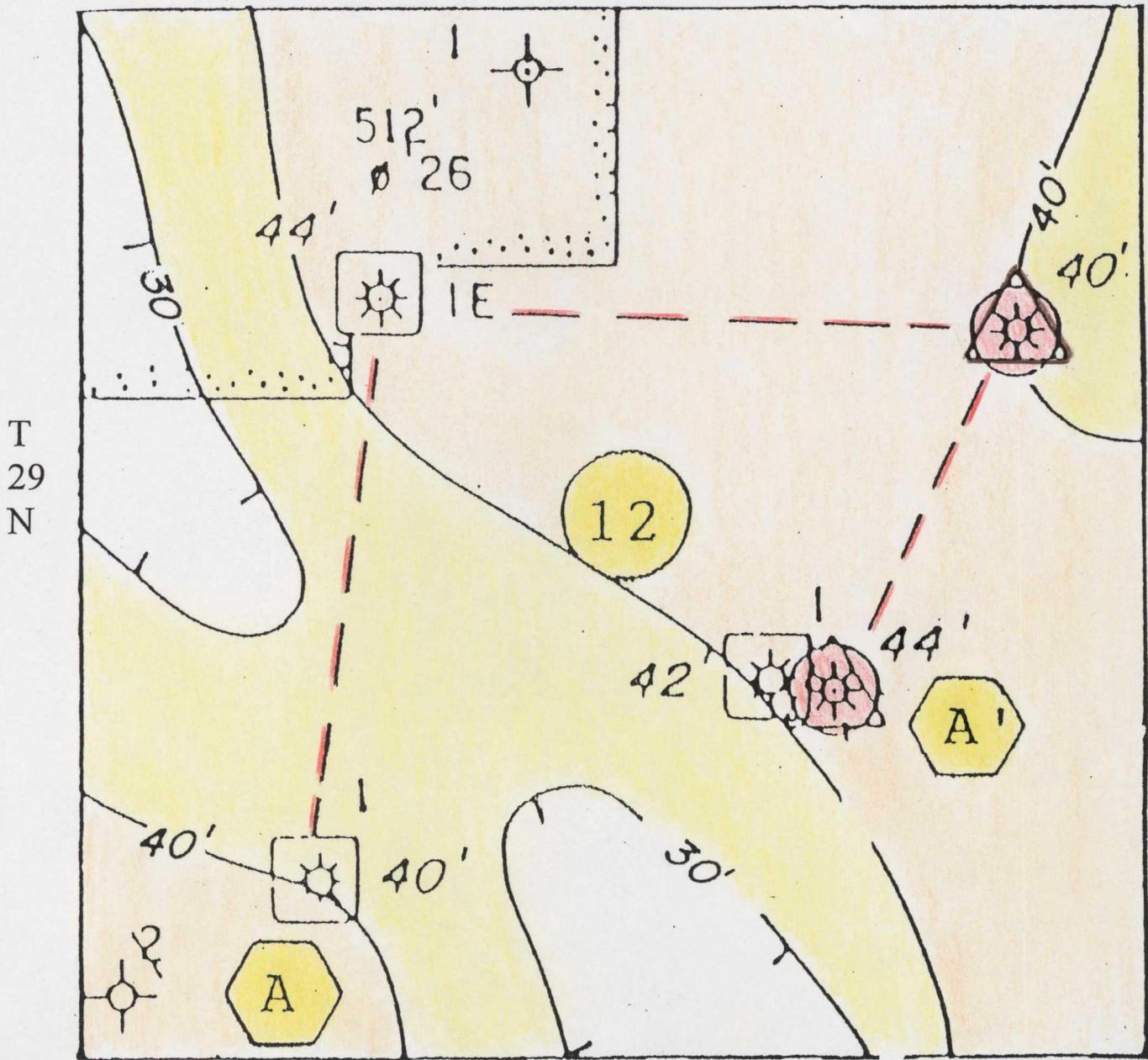
San Juan County, New Mexico

Exhibit "B"

ISOPACH MAP

BASAL FRUITLAND COAL

R 13 W



San Juan County, New Mexico

Exhibit "C"

ISOPACH MAP  
UPPER PICTURED CLIFFS SS.

RANDY V. MILLER  
Certified Petroleum Geologist  
P.O. Box 5152 Arvada, Colorado 80005  
(303) 424-9245

---

Richardson Operating Company  
1700 Lincoln #1700  
Denver, Colorado  
80302  
Attn: Mr. David B. Richardson, President.

RE: W. Gallegos Area  
Sec. 12, T29N, R13W

Dear Mr. Richardson,

I have completed the geological evaluation of the West Gallegos Area in San Juan County, New Mexico. The specific area of investigation was Section 12, T29N, R13W. The Cretaceous Basal Fruitland Coal Bed and the Upper Pictured Cliffs Sandstone are gas productive in the east-half of Section 12 and will also produce gas in the west-half of the Section. The risk for finding additional gas in this Section is extremely low, and the following is a summary of my findings:

1. **Exhibit A.** This is a stratigraphic cross-section through Section 12, T29N, R13W. As can be seen, the Basal Fruitland Coal Bed and the Upper Pictured Cliffs Sandstone are both continuous throughout the Section. The Coal averages over 20 feet in thickness, and the Sandstone ranges between 30 feet and 44 feet in thickness. In this area, well log characteristics of gas productivity from the Upper Pictured Cliffs Sandstone are noted by >14% porosity and >5 ohms deep induction resistivity. The Basal Coal is gas productive throughout this part of the San Juan Basin and usually exhibits >25% porosity and >50 ohms deep induction resistivity. These log characteristics are present throughout Section 12.

2. **Exhibit B.** This is an isopach map of the Basal Fruitland Coal Bed. As can be seen, the Coal ranges between 15 feet and 25 feet in thickness and averages over 20 feet in thickness in Section 12. Wells that are gas productive from the Coal are denoted with triangles.

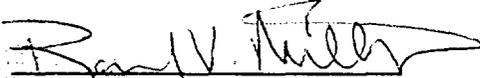
3. **Exhibit C.** This map is an isopach of porous Upper Pictured Cliffs Sandstone. The Sandstone ranges between 30 feet and 44 feet in thickness in Section 12. Wells that are gas productive from this interval are denoted with circles.

p.2, R.V. Miller, W. Gallegos Area, 4/4/95.

In summary, the risk for establishing gas production from the Basal Fruitland Coal Bed and the Upper Pictured Cliffs Sandstone in the west-half of Section 12, T29N, R13W, is extremely low. Wells drilled and completed in these zones should be similar to the two Richardson Operating Company wells producing gas in the east-half of the Section.

I hope that this investigation will prove useful in your evaluation of this area, and if additional input is needed, please don't hesitate to call me.

Yours Very Truly,



Randy V. Miller  
CPG #2943



AFE Comparison  
4/6/95

NW/4-Section 12-T29N-R13W San Juan County, NM				
ROPCO Fee 12-4 PC				
vs.				
Amoco Burnham Gas Com /A/ PC				
	Exhibit 1	Exhibit 2	Exhibit 3	
	Richardson AFE	Richardson Actual	Amoco AFE	
<b>A. Land</b>		*ROPCO Fed 12-1 PC		*ROPCO Fed 12-1 PC located SE/4-Sec 12-T29N-R13W
-- survey and permits	A1 1500.00	A1 2256.00	A1 7000.00	
-- location			A2 5000.00	
-- damages	A3 1500.00	A2 2500.00		
-- title opinion / Land	A2 1500.00			
-- restore location	A5 1500.00			
-- gravel	A6 1000.00			
-- division order	A7 1000.00			
-- dirt work	A4 3000.00	A3 1233.00		
<b>Sub Total</b>	<b>\$ 11,000.00</b>	<b>\$ 5,989.00</b>	<b>\$ 12,000.00</b>	
<b>B. Drilling</b>				
-- drilling rig	B1 16000.00	B1 16780.00	B1 36000.00	
-- fluids			B2 7000.00	
-- daywork			B3 2160.00	
-- BOP rental	B2 750.00	B2 1366.00		
-- pit lining	B3 1500.00			
<b>Sub Total</b>	<b>\$ 18,250.00</b>	<b>\$ 18,146.00</b>	<b>\$ 45,160.00</b>	
<b>C. Casing</b>				
-- surface string	C1 1200.00	C1 1786.00	C1 8500.00	
-- casing head	C2 750.00		C2 1500.00	
-- cement surface	C3 1500.00	C2 1171.00		
-- casing crew	C4 1000.00			
-- production string	C5 6400.00	C3 7587.00		
-- cement longstring	C9 4000.00	C7 3071.00		
-- logging	C7 4000.00	C5 3163.00		
-- engineering / geo.	C8 1500.00	C6 5328.00		
-- trucking	C6 2000.00	C4 984.00		
<b>Sub Total</b>	<b>\$ 22,350.00</b>	<b>\$ 23,090.00</b>	<b>\$ 10,000.00</b>	
<b>D. Down Hole Completion</b>				
-- perforating	D2 1500.00	D1 2118.00		
-- stimulation	D4 24000.00	D2 21192.00	D1 43000.00	
-- logs	D1 2000.00	Sec D1		
-- tubing	D3 2400.00		D2 4600.00	
-- tool rental	D5 2000.00	D3 593.00		
-- completion fluids	D6 2000.00	D4 111.00		
<b>Sub Total</b>	<b>\$ 33,900.00</b>	<b>\$ 24,014.00</b>	<b>\$ 47,600.00</b>	
<b>E. Completion Rig</b>				
-- rig time	E3 7500.00	E3 4251.00		
-- daywork			E2 2100.00	
-- well head	E2 4000.00	E2 6731.00	E1 1000.00	
-- rig anchors	E1 600.00	E1 475.00		
-- frac tank rental	E4 1000.00	E4 189.00		
-- flowback	E5 2000.00			
<b>Sub Total</b>	<b>\$ 15,100.00</b>	<b>\$ 11,646.00</b>	<b>\$ *3,100.00</b>	*Amoco number unrealistic
<b>F. Final Completion</b>				
-- production facility			F1 *20000.00	*Amoco AFE=\$50,000; compression @ \$30,000 is omitted
-- trucking	F1 3000.00	F1 5680.00		
-- El Paso hook-up	F7 13000.00	F6 13000.00		
-- battery installation	F2 4000.00	F2 2989.00		
-- engineering	F3 3000.00	F3 2695.00		
-- treator	F4 5000.00	F4 4440.00		
-- flowline	F5 5000.00	F8 *5000.00		*ROPCO 12-1 PC actual, as originally produced; does not include subsequent lines to offsite central compression
-- tank and fittings	F6 4000.00	F5 4675.00		
-- fence	F8 2000.00	F7 1908.00		
<b>Sub Total</b>	<b>\$ 39,000.00</b>	<b>\$ 40,387.00</b>	<b>\$ 20,000.00</b>	
<b>G. Contingencies</b>				
-- drilling	G1 3367.00		G2 12000.00	
-- completion	G2 9150.00		G3 16000.00	
-- "other"			G1 20400.00	
<b>Sub Total</b>	<b>\$ 12,517.00</b>	<b>\$ -</b>	<b>\$ 48,400.00</b>	
<b>Total</b>	<b>\$ 152,117.00</b>	<b>\$ 123,272.00</b>	<b>\$ *186,260.00</b>	*Amoco AFE=\$216,260; compression @ \$30,000 is omitted



Exhibit 2

Accounting Basis:Accrual Closed+UnClosed DRILLING AFE  
AFE STATUS REPORT

Well:NM-007-010 ROPCO FED. PC #12-1

	TOTAL EXPENDITURE TO DATE	AFE AMOUNTS	AMOUNTS OVER/UNDER AFE
<b>Drilling Costs:</b>			
Survey & Permits	2,256.68 A1	0.00	-2,256.68
Title Opinion & Land Costs	0.00	0.00	0.00
Site Damages	2,500.00 A2	0.00	-2,500.00
Drilling	16,780.19 B1	0.00	-16,780.19
ROP Rental	1,366.59 B2	0.00	-1,366.59
Mud Work	1,233.43 A3	0.00	-1,233.43
Bit Lining	0.00	0.00	0.00
Surface Casing	1,786.15 C1	0.00	-1,786.15
Casing Head	0.00	0.00	0.00
Wellbore Surface	1,171.98 C2	0.00	-1,171.98
Power Tongs	0.00	0.00	0.00
Casing	7,587.85 C3	0.00	-7,587.85
Drucking	984.75 C4	0.00	-984.75
Logs	3,163.04 C5	0.00	-3,163.04
Engineering	5,213.11 C6	0.00	-5,213.11
Wellbore Longstring	3,071.90 C7	0.00	-3,071.90
Travel Expense	0.00	0.00	0.00
Geology	115.74 C6	0.00	-115.74
Outsourcing	0.00	0.00	0.00
<b>TOTAL DRILLING COSTS</b>	<b>47,231.41</b>	<b>0.00</b>	<b>-47,231.41</b>
<b>Completion Costs:</b>			
Rig Anchors	475.31 E1	0.00	-475.31
Logs & Perf	2,118.75 D1	0.00	-2,118.75
Wellhead & Fittings	6,731.80 E2	0.00	-6,731.80
Clubbing	0.00	0.00	0.00
Stimulation	21,192.82 D2	0.00	-21,192.82
Tool Rental	593.25 D3	0.00	-593.25
Drucking	5,680.10 F1	0.00	-5,680.10
Battery Installation	90.00 F2	0.00	-90.00
Wellstore Location	0.00	0.00	0.00
Engineering	2,695.55 F3	0.00	-2,695.55
Compressor	4,440.93 F4	0.00	-4,440.93
Flowline	5,000 <del>0.00</del> F8	0.00	0.00
Compressor Fittings	0.00	0.00	0.00
Wellhead & Fittings	4,675.90 F5	0.00	-4,675.90
Compressor Installation	0.00 <del>376.61</del>	0.00	-376.61
Wellbore Unit	0.00	0.00	0.00
Travel	0.00	0.00	0.00
Workover Rig	4,251.17 E3	0.00	-4,251.17
Completion Fluids	111.64 D4	0.00	-111.64
Well Paso	13,000.00 F6	0.00	-13,000.00
Wellbore Order	0.00	0.00	0.00
Wellbore Tank Rental	189.74 E4	0.00	-189.74
Wellbore	0.00	0.00	0.00
Wellbore Location	1,908.25 F7	0.00	-1,908.25

Actual prior to central offsite compression

Compression omitted from comparison

Exhibit 2

oustabouting

TOTAL EXPENDITURE TO DATE	AFE AMOUNTS	AMOUNTS OVER/UNDER AFE
2,899.21 F2	0.00	-2,899.21
71,431.03	0.00	-71,431.03
118,662.44	0.00	-118,662.44
		+ 5,000
		- 376
		123,286

TOTAL COMPLETION COSTS

TOTAL DRILLING COSTS

Flowline  
Compressor Installation

# 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  
Operator ID#:

Operations Center: SAN JUAN OC  
AMOCO's Interest: 0.8338000

LPN#: 687773---  
Contract#: 000000

Targets - Total Depth: 1581

Horizon PC Reg. Field

Target Depth 1288

Completion: Single

? NW/4  
FNL

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

Bottom Hole Location: Same

### Cost Summary (Development)

	Gross Dry Hole	Gross Completion
<b>Drilling Intangibles</b>		
Drilling Cost: .....	\$36,000	\$36,000 B1
Day Work: .....	\$2,160 B3	\$4,260 E2 = \$2100
Location: .....	\$5,000	\$5,000 A2
Survey: .....	\$5,000	\$7,000 A1
Mud: .....	\$7,000	\$7,000 B2
Stimulation: .....	\$0	\$43,000 D1
Other: .....	\$13,000	\$20,400 G1
<b>Total Intangible: .....</b>	<b>\$68,160</b>	<b>\$122,660</b>
<b>Well Equipment - Tangibles</b>		
Casing: .....	\$8,500	\$8,500 C1
Tubing: .....	\$0	\$4,600 D2
Wellhead: .....	\$1,500 C2	\$2,500 E1 = \$1000
Other: .....	\$0	\$0
<b>Total Tangible: .....</b>	<b>\$10,000</b>	<b>\$15,600</b>
Contingency: .....	\$12,000 G2	\$28,000 G3 = \$16,000
Associated Production Facility: .....		\$50,000 F1 = \$20,000
Direct Production Facility: .....		\$0
<b>Total This Request: .....</b>	<b>\$90,160</b>	<b>\$216,260</b>
Previous Estimate: .....	\$0	\$0
<b>Total to Date Estimate: .....</b>	<b>\$90,160</b>	<b>\$216,260</b>

- 30,000 Compressor  
\$ 186,260

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: X

By: \_\_\_\_\_

Date: \_\_\_\_\_

### Contacts:

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

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

AFE Comparison  
4/6/95

SW/4-Section 12-T29N-R13W					
San Juan County, NM					
ROPCO Federal 12-3 (A) PC, (B) FC					
vs.					
Amoco Burnham Gas Com /B/ PC, FC					
	Exhibit 1	Exhibit 2	Exhibit 3		
	Richardson AFE	Richardson Actual	Amoco AFE		
A.	<b>Land</b>		ROPCO Fed 12-2 PC, FC		*ROPCO Fed 12-2 PC, FC located NE/4-Sec 12-T29N-R13W
	-- survey and permits	A1 1500.00	A1 2814.00	A2 9000.00	
	-- location			A1 5000.00	
	-- damages	A3 1500.00	A3 *2500.00		*Used actual for ROPCO 12-1. ROPCO 12-2 actual
	-- title opinion / Land	A2 1500.00	A2 1881.00		unrepresentative because well located in upscale residential
	-- restore location	A5 1500.00	A4 1089.00		neighborhood
	-- gravel	A6 1000.00	A5 1255.00		
	-- division order	A7 1000.00			
	-- dirt work	A4 3000.00			
	Sub -Total	\$ 11,000.00	\$ 9,539.00	\$ 14,000.00	
B.	<b>Drilling</b>				
	-- drilling rig	B1 16000.00	B1 20334.00	B1 36000.00	
	-- fluids			B3 7000.00	
	-- daywork			B2 2160.00	
	-- BOP rental	B2 750.00			
	-- pit lining	B3 1500.00	B2 766.00		
	Sub Total	\$ 18,250.00	\$ 21,100.00	\$ 45,160.00	
C.	<b>Casing</b>				
	-- surface string	C1 1200.00	C1 1086.00	C1 8500.00	
	-- casing head	C2 750.00		E2 1500.00	
	-- cement surface	C3 1500.00	C2 2229.00		
	-- casing crew	C4 1000.00			
	-- production string	C5 8000.00	C3 2618.00		
	-- cement longstring	C9 4000.00	C7 3130.00		
	-- logging	C7 4000.00	C5 3649.00		
	-- engineering / geo.	C8 1500.00	C6 2732.00		
	-- trucking	C6 2000.00	C4 279.00		
	Sub Total	\$ 23,950.00	\$ 15,723.00	\$ 10,000.00	
D.	<b>Down Hole Completion</b>				
	-- perforating	D2 4000.00			
	-- stimulation	D4 48000.00	D3 47401.00	D1 70000.00	
	-- logs	D1 2000.00	D1 3785.00		
	-- tubing	D3 2400.00	D2 2003.00	D2 4600.00	
	-- tool rental	D5 2000.00	D4 5368.00		
	-- completion fluids	D6 2000.00	D5 1097.00		
	Sub Total	\$ 60,400.00	\$ 59,654.00	\$ 74,600.00	
E.	<b>Completion Rig</b>				
	-- rig time	E3 15000.00	E3 17300.00		
	-- daywork			E1 4200.00	
	-- wellhead	E2 4000.00	E2 3522.00	E2 1000.00	
	-- rig anchors	E1 600.00	E1 627.00		
	-- frac tank rental	E4 1000.00	E4 1897.00		
	-- flowback	E5 2000.00			
	Sub Total	\$ 22,600.00	\$ 23,346.00	\$ *5,200.00	*Amoco number unrealistic
F.	<b>Final Completion</b>				
	-- production facility			F1 *20000.00	*Amoco AFE=\$50,000; compression @ \$30,000 is omitted
	-- trucking	F1 3000.00	F1 5075.00		
	-- El Paso hook-up	F7 13000.00	F6 *13000.00		*Actual = 0; unrepresentative, so added in expected
	-- battery installation	F2 4000.00	F8 2265.00		
	-- engineering	F3 5500.00	F2 12381.00		
	-- treator	F4 5000.00	F3 4287.00		
	-- flowline	F5 5000.00	F4 *5000.00		*Used actual for ROPCO 12-1 well as originally produced;
	-- tank and fittings	F6 4000.00	F5 4905.00		ROPCO 12-2 well unrepresentative due to offsite production
	-- fence	F8 2000.00	F7 1104.00		facilities
	Sub Total	\$ 41,500.00	\$ 48,017.00	\$ 20,000.00	
G.	<b>Contingencies</b>				
	-- drilling	G1 3479.00		G2 12000.00	
	-- completion	G2 12800.00		G3 22000.00	
	-- "other"			G1 27800.00	
	Sub Total	\$ 16,279.00	\$ -	\$ 61,800.00	
	<b>Total</b>	<b>\$ 193,979.00</b>	<b>\$ 177,379.00</b>	<b>\$ *230,760.00</b>	*AMOCO AFE=\$260,760; compression @ \$30,000 is omitted

Exhibit 1

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  
Fruiland Coal

I. Drilling Costs (Included Run Casing)

Survey and Permits-----	
Title Opinion & Land Costs-----	
Damages-----	
Drilling (Incl. water and mud) 1600' @ 10.00/ft.---	
BOP Rental-----	
Dirt Work-----	
Pit Lining-----	
Surface Casing 200' @ 6.00/ft.---	
Casing Head-----	
Cement Surface-----	
Power Tongs-----	
Casing 1600' @ 5.00/ft.---	
Trucking-----	
Logs-----	
Engineering-----	
Cement Longstring-----	
Total Cost to Run Casing-----	
7% Contingency-----	
Grand Total to Run Casing-----	

Tangible	Intangible	Total	Actual
	1,500	A1	
	1,500	A2	
	1,500	A3	
	16,000	B1	
	750	B2	
	3,000	A4	
	1,500	B3	
1,200		C1	
750		C2	
	1,500	C3	
	1,000	C4	
8,000		C5	
	2,000	C6	
	4,000	C7	
	1,500	C8	
	4,000	C9	
9,950	39,750		49,700
		G1	3,479
			<u>53,179</u>

II. Completion Costs

Rig Anchors-----	
Logs-----	
Perf-----	
Wellhead & Fillings-----	
Tubing 1600' @ 1.50/ft.---	
Stimulation-----	
Tool Rental-----	
Trucking-----	
Battery Installation-----	
Restore Location-----	
Engineering-----	
Treater-----	
Flowline-----	
Tank & Fillings-----	
Gravel-----	
Workover Rig-----	
Completion Fluids-----	
El Paso Hookup-----	
Division Order-----	
Frac Tank Rental-----	
Flowback-----	
Fence Location-----	
Total Completion Costs-----	
10% Contingency-----	
Drilling Costs-----	
Grand Total Well Costs-----	

	600	E1	
	2,000	D1	
	4,000	D2	
4,000		E2	
2,400		D3	
	48,000	D4	
	2,000	D5	
	3,000	F1	
	4,000	F2	
	1,500	A5	
	5,500	F3	
5,000		F4	
5,000		F5	
4,000		F6	
	1,000	A6	
	15,000	E3	
	2,000	D6	
	13,000	F7	
	1,000	A7	
	1,000	E4	
	2,000	E5	
2,000		F8	
22,400	105,600		128,000
		G2	12,800
			<u>53,179</u>
			<u>193,979</u>

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

Exhibit 2

	TOTAL EXPENDITURE TO DATE	A/E AMOUNTS	AMOUNTS OVER/UNDER A/E
<b>Drilling Costs:</b>			
Survey & Permits	2,814.68 A1	0.00	-2,814.68
Title Opinion & Land Costs	1,881.51 A2	0.00	-1,881.51
Site Damages	2,500 <sup>1</sup> A3	0.00	-
Drilling	20,334.36 B1	0.00	-20,334.36
BOP Rental	0.00	0.00	0.00
Dirt Work	0.00	0.00	0.00
Pit Lining	766.42 B2	0.00	-766.42
Surface Casing	1,086.73 C1	0.00	-1,086.73
Casing Head	0.00	0.00	0.00
Cement Surface	2,229.10 C2	0.00	-2,229.10
Power Tongs	0.00	0.00	0.00
Casing	2,618.57 C3	0.00	-2,618.57
Trucking	279.81 C4	0.00	-279.81
Logs	3,649.57 C5	0.00	-3,649.57
Engineering	2,732.80 C6	0.00	-2,732.80
Cement Longstring	3,130.21 C7	0.00	-3,130.21
Travel Expense	0.00	0.00	0.00
Geology	0.00	0.00	0.00
Roustabouting	0.00	0.00	0.00
<b>TOTAL DRILLING COSTS</b>		<b>0.00</b>	
<b>Completion Costs:</b>			
Rig Anchors	627.41 E1	0.00	-627.41
Logs & Perf	3,785.67 D1	0.00	-3,785.67
Wellhead & Fittings	3,522.24 E2	0.00	-3,522.24
Tubing	2,003.36 D2	0.00	-2,003.36
Stimulation	47,401.66 D3	0.00	-47,401.66
Tool Rental	5,368.49 D4	0.00	-5,368.49
Trucking	5,075.57 F1	0.00	-5,075.57
Battery Installation	0.00	0.00	0.00
Restore Location	1,088.99 A4	0.00	-1,088.99
Engineering	12,380.52 F2	0.00	-12,380.52
Treater	4,287.32 F3	0.00	-4,287.32
Flowline	5,000 <sup>2</sup> F4	0.00	-
Compressor Fittings	0.00 <sup>3</sup>	0.00	-
Tank & Fittings	4,905.23 F5	0.00	-4,905.23
Compressor Installation	0.00	0.00	0.00
Pumping Unit	398.13 E3	0.00	-398.13
Gravel	1,255.23 A5	0.00	-1,255.23
Workover Rig	16,903.52 E3	0.00	-16,903.52
Completion Fluids	1,097.50 D5	0.00	-1,097.50
El Paso	13,000 <sup>4</sup> F6		
Division Order	0.00	0.00	0.00
Frac Tank Rental	1,897.27 E4	0.00	-1,897.27
Flowback	0.00	0.00	0.00
Fence Location	1,104.00 F7	0.00	-1,104.00
Roustabouting	2,264.81 F8	0.00	-2,264.81

<sup>1</sup> Used actual for ROPCO 12-1 PC; ROPCO 12-2 PC, FC actual unrepresentative because well located in upscale residential neighborhood

<sup>2</sup> Used actual for ROPCO 12-1 PC, as originally produced; ROPCO 12-2 PC, FC actual unrepresentative because production facilities offsite

<sup>3</sup> Compression omitted from comparison

<sup>4</sup> Actual = 0; unrepresentative, so added in actual for ROPCO 12-1 PC

Exhibit 2

TOTAL EXPENDITURE TO DATE	AFE AMOUNTS	AMOUNTS OVER/UNDER AFE
---------------------------------	-------------	------------------------------

TOTAL COMPLETION COSTS

0.00

TOTAL DRILLING COSTS

243,862.94	0.00	-243,862.94
------------	------	-------------

- unrepresentative site damages (residential)
- + actual 12-1 site damages
- unrepresentative flowline (offsite facilities)
- + actual 12-1 flowline
- compressor fittings (omitted from comparison)
- + expected El Paso hookup

177,391

# Drilling Authorization

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

SAN JUAN County, NEW MEXICO

Operating Field -

Operator Production Company \_\_\_\_\_

Property FLAC - 189553

Well FLAC -  
Well Type - Gas

Operator: AMOCO PRODUCTION COMPANY

Operations Center: SAN JUAN OC

LFN#: 687774---

Int:

AMOCO's Interest: 0.5000000

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/FT 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 Reg. Field  
PC

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	
<b>Drilling Intangibles</b>			
Drilling Cost: .....	\$18,000 B1	\$18,000	
Day Work: .....	\$1,080 B2	\$3,180 E1 = \$2,100	
Location: .....	\$2,500 A1	\$2,500	
Survey: .....	\$2,500 A2	\$4,500 A2 = \$2,000	
Mud: .....	\$3,500 B3	\$3,500	
Stimulation: .....	\$0	\$32,000 D1	
Other: .....	\$6,500 G1	\$13,900 G1 = \$7,400	
<b>Total Intangible: .....</b>	<b>\$34,080</b>	<b>\$77,580</b>	
<b>Well Equipment - Tangibles</b>			
Casing: .....	\$4,250	\$4,250 C1	
Tubing: .....	\$0	\$2,300 D2	
Wellhead: .....	\$750	\$1,250 E2	
Other: .....	\$0	\$0	
<b>Total Tangible: .....</b>	<b>\$5,000</b>	<b>\$7,800</b>	
Contingency: .....	\$6,000 G2	\$17,000 G3 = \$11,000	
Associated Production Facility: .....		\$25,000 F1 = \$10,000 (\$15,000	compression omitted)
Direct Production Facility: .....		\$0	
<b>Total This Request: .....</b>	<b>\$45,080</b>	<b>\$127,380</b>	
Previous Estimate: .....	\$0	\$0	
<b>Total to Date Estimate: .....</b>	<b>\$45,080</b>	<b>\$127,380</b>	

Notice to Non-Operator: Cost shown on this estimate are estimates only. Non-Operators should not consider these estimates as establishing a 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  
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DENVER, CO, 80201-0800  
(303) 830-4844  
(303) 830-4777 FAX

\$127,380 PC AFE  
+ 133,380 FC AFE  

---

260,760  
- 30,000 Compression  

---

\$ 230,760

# Drilling Authorization

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

SAN JUAN County, NEW MEXICO

Operating Field -

Operator Production Company

Property FLAC - 189553

Well FLAC -  
Well Type - Gas

Operator: AMOCO PRODUCTION COMPANY  
If#:

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

LPN#: 687774---  
Contract#: 000000

Comments to Partners: This Cost estimate includes a portion of the drilling and facilities and the FT completion in the proposed PC/FT commingled dual. The other portion of the drilling and facilities will be allocated to the Pictured Cliffs working interest owners.

Targets - Total Depth: 1664  

Horizon	Reg. Field	Target Depth
<u>FT</u>		1140

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
<b>Drilling Intangibles</b>		
Drilling Cost: .....	\$18,000 B1	\$18,000
Day Work: .....	\$1,080 B2	\$3,180 E1 = \$2,100
Location: .....	\$2,500 A1	\$2,500
Survey: .....	\$2,500 A2	\$4,500 A2 = \$2,000
Mud: .....	\$3,500 B3	\$3,500
Stimulation: .....	\$0	\$38,000 D1
Other: .....	\$6,500 G1	\$13,900 G1 = \$7,400
<b>Total Intangible: .....</b>	<b>\$34,080</b>	<b>\$83,580</b>
<b>Well Equipment - Tangibles</b>		
Casing: .....	\$4,250	\$4,250 C1
Tubing: .....	\$0	\$2,300 D2
Wellhead: .....	\$750	\$1,250 E2
Other: .....	\$0	\$0
<b>Total Tangible: .....</b>	<b>\$5,000</b>	<b>\$7,800</b>
Contingency: .....	\$6,000 G2	\$17,000 G3 = \$11,000
Associated Production Facility: .....		\$25,000 F1 = \$10,000 (\$15,000 Compression omitted)
Direct Production Facility: .....		\$0
<b>Total This Request: .....</b>	<b>\$45,080</b>	<b>\$133,380</b>
Previous Estimate: .....	\$0	\$0
<b>Total to Date Estimate: .....</b>	<b>\$45,080</b>	<b>\$133,380</b>

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**  
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**Economic Comparisons-W/2-Section 12-T29N-R13W**  
**San Juan County, NM**

The following parameters were held constant, both for ROPCO and Amoco:

Working Interest	100%
Net Revenue Interest	80%
First day of Production	January 1, 1996
State, Severance and Ad Valorem Tax	8.26%
Escalation of operating costs	3% annually after 12/96
Water Injection Costs (\$/bbl)	1.25
Gas Price (\$/MCF)	1.39, escalated 3% annually after 12/96

<b>Performance:</b>	<b>Pictured Cliffs</b>	<b>P. Cliffs &amp; Fruitland C.</b>
Gas initial Rate (MCF/day)	600	850
Gas annual decline rate	10%	10%
Initial water production rate (bbl/day)	60	75
Water annual decline rate	10%	10%

The values that varied between ROPCO and Amoco are:

- Drilling and completion costs
- Operating costs
- Compression

**BEFORE THE**  
**OIL CONSERVATION DIVISION**  
Case No. 11246/11247 Exhibit No. 17  
Submitted By:  
**Richardson Operating Company**  
Hearing Date: April 29, 1995

**A: Pictured Cliffs**

The cost to drill and complete a Pictured Cliffs well is \$123,272 for ROPCO and \$186,260 for Amoco, as taken from ROPCO's adjusted actual costs (E/2-12) and Amoco's AFE. See Appendix I for tabulation of monthly lease operating costs.

**Case 1:** Compressors are rented, maintenance free. Monthly rental payment is \$1,646 for ROPCO (bid received) and \$2,500 for Amoco (from AFE).

	<b>ROPCO</b>	<b>AMOCO</b>	<b>Variance</b>
Gas Reserves (MCF)	1,793,491	1,644,490	149,001
Life of Project to Economic Limit (yrs, mos)	19, 1	15, 1	4, 0
Net Cash Flow (Undiscounted)	\$1,122,858	\$752,576	\$370,282
Net Cash Flow (Discounted at 10%)	\$647,115	\$445,488	\$201,627
Profit / Investment Ratio	9.11	4.04	5.07
Total Capital Expenses	\$123,272	\$186,260	(\$62,988)

**Case 2:** Compressors are purchased and financed over 4 years at 9% annually. The purchase prices are \$85,000 for ROPCO (bid received) and \$120,000 for Amoco. For Amoco, an additional run was made with 5 years of financing at 9% annually (from AFE).

	<b>ROPCO</b>	<b>AMOCO</b>	<b>Variance</b>
Gas Reserves (MCF)	1,945,447	1,902,962	42,485
Life of Project to Economic Limit (yrs, mos)	26, 4	23, 8	2, 8
Net Cash Flow (Undiscounted)	\$1,475,492	\$1,221,232	\$254,260
Net Cash Flow (Discounted at 10%)	\$725,403	\$580,123	\$145,280
Profit / Investment Ratio	11.97	6.56	5.41
Total Capital Expenses	\$123,272	\$186,260	(\$62,988)

**Case 3:** Both ROPCO and Amoco buy used compressors for \$65,000 (from Amoco AFE, plus \$35,000 to bring to -0- hours). ROPCO and Amoco differ only in drilling, completing and operating costs. Reliable compressors, for the size anticipated, are not generally available at this price.

	<b>ROPCO</b>	<b>AMOCO</b>	<b>Variance</b>
Gas Reserves (MCF)	1,945,447	1,902,962	42,485
Life of Project to Economic Limit (yrs, mos)	26, 4	23, 8	2, 8
Net Cash Flow (Undiscounted)	\$1,514,127	\$1,302,546	\$211,581
Net Cash Flow (Discounted at 10%)	\$745,739	\$635,380	\$110,359
Profit / Investment Ratio	8.04	5.18	2.86
Total Capital Expenses	\$188,272	\$251,260	(\$62,988)

## **B: Pictured Cliffs and Fruitland Coal Commingled Completion**

The cost to drill and complete a Pictured Cliffs-Fruitland Coal well is \$177,379 for ROPCO and \$230,760 for Amoco, as taken from ROPCO's adjusted actual costs (E/2-12) and Amoco's AFE. See Appendix I for tabulation of monthly lease operating costs.

**Case i:** Compressors are rented, maintenance free. Monthly rental payment is \$1,646 for ROPCO (bid received) and \$2,500 for Amoco (from AFE).

	<b>ROPCO</b>	<b>AMOCO</b>	<b>Variance</b>
Gas Reserves (MCF)	2,664,670	2,518,257	146,413
Life of Project to Economic Limit (yrs, mos)	22, 7	18, 7	4, 0
Net Cash Flow (Undiscounted)	\$1,953,016	\$1,507,601	\$445,415
Net Cash Flow (Discounted at 10%)	\$1,061,496	\$856,272	\$205,224
Profit / Investment Ratio	11.01	6.53	4.48
Total Capital Expenses	\$177,379	\$230,760	(\$53,381)

**Case ii:** Compressors are purchased and financed over 4 years at 9% annually. The purchase prices are \$85,000 for ROPCO (bid received) and \$120,000 for Amoco. For Amoco, an additional run was made with 5 years of financing at 9% annually (from AFE).

	<b>ROPCO 4 year plan</b>	<b>AMOCO 4 year plan</b>	<b>Variance</b>
Gas Reserves (MCF)	2,813,064	2,771,902	41,162
Life of Project to Economic Limit (yrs, mos)	29, 9	27, 2	2, 7
Net Cash Flow (Undiscounted)	\$2,408,177	\$2,131,456	\$276,721
Net Cash Flow (Discounted at 10%)	\$1,149,181	\$1,011,177	\$138,004
Profit / Investment Ratio	13.58	9.24	4.34
Total Capital Expenses	\$177,379	\$230,760	(\$53,381)

**Case iii:** ROPCO and Amoco buy used compressors for \$65,000 each (from Amoco AFE, plus \$35,000 to bring to -0- hours). ROPCO and Amoco differ only in drilling, completing and operating costs. Reliable compressors, for the size anticipated, are not generally available at this price.

	<b>ROPCO</b>	<b>AMOCO</b>	<b>Variance</b>
Gas Reserves (MCF)	2,813,064	2,771,902	41,162
Life of Project to Economic Limit (yrs, mos)	29, 9	27, 2	2, 7
Net Cash Flow (Undiscounted)	\$2,446,812	\$2,212,770	\$234,042
Net Cash Flow (Discounted at 10%)	\$1,169,517	\$1,066,434	\$103,083
Profit / Investment Ratio	10.09	7.48	2.61
Total Capital Expenses	\$242,379	\$295,760	(\$53,381)

## **C: Additional Case Comparisons**

ROPCO purchases \$85,000 compressor and finances over 4 years at 9% annually. Amoco buys new compressor and leases it to all interest owners for \$2,500/mo, maintenance free. The following economic comparison does not reflect Amoco's actual profits (which are considerably more favorable), but is a reflection of economics for all other interest owners under Amoco's operatorship.

### **Pictured Cliffs Completion**

	<b>ROPCO</b>	<b>AMOCO</b>	<b>Variance</b>
Gas Reserves (MCF)	1,945,447	1,644,490	300,957
Life of Project to Economic Limit (yrs, mos)	26, 4	15, 1	11, 3
Net Cash Flow (Undiscounted)	\$1,475,492	\$752,576	\$722,916
Net Cash Flow (Discounted at 10%)	\$725,403	\$445,488	\$279,915
Profit / Investment Ratio	11.97	4.04	7.93
Total Capital Expenses	\$123,272	\$186,260	(\$62,988)

### **Pictured Cliffs-Fruitland Coal Commingled Completion**

	<b>ROPCO</b>	<b>AMOCO</b>	<b>Variance</b>
Gas Reserves (MCF)	2,813,064	2,518,257	294,807
Life of Project to Economic Limit (yrs, mos)	29, 9	18, 7	11, 2
Net Cash Flow (Undiscounted)	\$2,408,177	\$1,507,601	\$900,576
Net Cash Flow (Discounted at 10%)	\$1,149,181	\$856,272	\$292,909
Profit / Investment Ratio	13.58	6.53	7.05
Total Capital Expenses	\$177,379	\$230,760	(\$53,381)

**Case 4:** Subject to being named operator of both the Pictured Cliffs well and the Pictured Cliffs/Fruitland Coal well, ROPCO would set centralized compression. See Appendix I for drilling, completing and operating costs:

**Pictured Cliffs Completion**

	<b>ROPCO</b>
<b>Gas Reserves (MCF)</b>	1,963,357
<b>Life of Project to Economic Limit (yrs, mos)</b>	27, 8
<b>Net Cash Flow (Undiscounted)</b>	\$1,582,931
<b>Net Cash Flow (Discounted at 10%)</b>	\$775,525
<b>Profit / Investment Ratio</b>	13.27
<b>Total Capital Expenses</b>	\$119,272

**Pictured Cliffs-Fruitland Coal Commingled Completion**

	<b>ROPCO</b>
<b>Gas Reserves (MCF)</b>	2,830,797
<b>Life of Project to Economic Limit (yrs, mos)</b>	31, 1
<b>Net Cash Flow (Undiscounted)</b>	\$2,529,717
<b>Net Cash Flow (Discounted at 10%)</b>	\$1,200,078
<b>Profit / Investment Ratio</b>	14.59
<b>Total Capital Expenses</b>	\$173,379

APPENDIX I

OPERATING COSTS CALCULATIONS

Cases (1) and (i), compressors are rented, maintenance free.

	<b>ROPCO</b>	<b>AMOCO</b>
Overhead	450	500
Pumper	275	275
Compressor Rental	1,646	2,500
District Office	0	300
<b>TOTAL</b>	<b>2,371</b>	<b>3,575</b>

Cases (2) and (ii), compressors are purchased and financed over a period of years.

	<b>ROPCO</b>	<b>AMOCO</b>	<b>AMOCO</b>
	<b>4 year plan</b>	<b>4 year plan</b>	<b>5 year plan</b>
Overhead	450	500	500
Pumper	275	275	275
Compressor Monthly Payment*	2,115	2,986	2,500
Compressor Maintenance	400	400	400
District Office	0	300	300
<b>TOTAL</b>	<b>3,240</b>	<b>4,461</b>	<b>3,975</b>

\* This expense takes effect only for the period over which the purchase is financed.

Cases (3) and (iii), used compressors are purchased.

	<b>ROPCO</b>	<b>AMOCO</b>
Overhead	450	500
Pumper	275	275
Compressor Maintenance	400	400
District Office	0	300
<b>TOTAL</b>	<b>1125</b>	<b>1475</b>

Cases (4) and (iv), ROPCO named Operator of both wells, compression centralized.

ROPCO drilling/completing costs: \$119,272 PC, \$173,379 PC/FC

(ROPCO actual adjusted E/2-12, less 1/2 El Paso hookup, plus \$2,500 additional flowline per well)

	<b>ROPCO</b>
Overhead	450
Pumper	275
Compressor Monthly Payment*	1493
Compressor Maintenance	250
District Office	0
<b>TOTAL</b>	<b>2468</b>

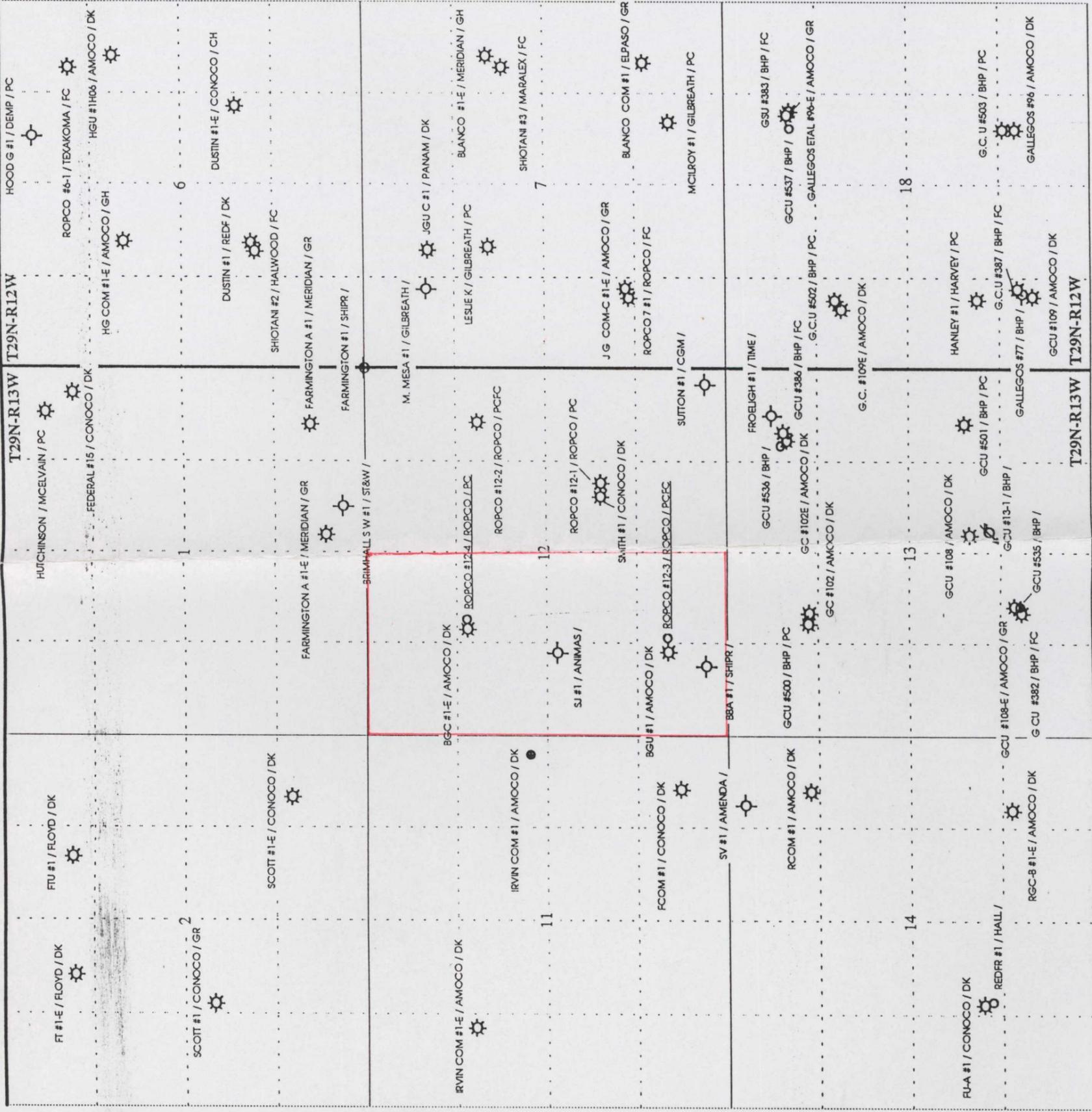
\* This expense is split between the two wells, and takes effect only for the period over which the purchase is financed.

Current Operator	Operator Abbreviation
AMENDA OIL	AMENDA
AMOCO PRODUCTION	AMOCO
ANIMAS OIL	ANIMAS
BHP PET (AMERICAS)	BHP
BHP PETROLEUM	BHP
BHP PETROLEUM (AMERICAS)	BHP
CONOCO INC	CONOCO
CROSS-GOULD-MORLACK	CGM
DEMPEY ASSOCIATES	DEMP
DUGAN THOMAS A	DUGAN
EL PASO EXPLORATION CO	ELPASO
FLOYD OPERATING CO	FLOYD
FLOYD OPERATING CO	FLOYD
GILBREATH NORMAN L	GILBREATH
HALLWOOD PETROLEUM	HALLWOOD
HALLWOOD PETROLEUM	HALL
HARVEY FRANCIS L	HARVEY
MARALEX RESOURCES	MARALEX
MELVAIN T H O&G PR	MELVAIN
MERIDIAN OIL INC	MERIDIAN
PAN AMERICAN PETROLEUM	PANAM
REDFERN DEV ETAL	REDF
RICHARDSON OPERATING	ROP
SHIPROCK OIL	SHIPR
SHIPROCK OIL COMPANY	SHIPR
STEELE & WEST	ST&W
TEXACOMA OIL & GAS	TEXACOMA
TIME PET	TIME

Producing Formation	Formation Abbreviation
DAKOTA	DK
GREENHORN	GH
GRANEROS	GR
CHACRA	CH
FRUITLAND COAL	FC
PICTURED CLIFFS	PC

SYMBOL	WELL STATUS
●	Oil Producing
☼	Gas Producing
⚙	Water Injector
⊕	Abandoned
○	Location/Status Unknown

The Wells on the map appear with the following format  
Wellname / Operator / Producing Formation



Well Name #1	Well Abbreviation #1
BLANCO 29-12 COM	BLANCO COM #1
BLANCO 29-12-COM #1-E	BLANCO #1-E
BRANDNER B-A #1	BBA #1
BRIMHALL S W #1	BRMHALL S W #1
BURHAM GAS COM #1	BGU #1
BURNHAM GAS COM #1-E	BGC #1-E
DUSTIN #1	DUSTIN #1
DUSTIN #1-E	DUSTIN #1-E
DUSTIN #1-E	DUSTIN #1-E
DUSTIN #1-E	DUSTIN #1-E
FARM TOWNSITE UNIT #1	FTU #1
FARMINGTON #1	FARMINGTON #1
FARMINGTON A #1	FARMINGTON A #1
FARMINGTON COM #1	FARMINGTON A #1-E
FARMINGTON UNIT-A #1	FUA #1
FC ROPCO FEE #6-1	ROP CO #6-1
FC ROPCO FEE 7 #1	ROP CO 7 #1
FEDERAL #15	FEDERAL #15
FROELIGH #1	FROELIGH #1
GALLEGOS #77	GALLEGOS #77
GALLEGOS #96	GALLEGOS #96
GALLEGOS #102	GC #102
GALLEGOS CANYON #102	GC #102E
GALLEGOS CANYON #109E	G.C. #109E
GALLEGOS CANYON #109E	G.C.U #387
GALLEGOS CANYON U #387	G.C.U #387
GALLEGOS CANYON U #502	G.C.U #502
GALLEGOS CANYON U #503	G.C. U #503
GALLEGOS CANYON U #108	GCU #108
GALLEGOS CYN UNIT #108-E	GCU #108-E
GALLEGOS CYN UNIT #382	G CU #382
GALLEGOS CYN UNIT #109	GCU #109
GALLEGOS CYN UNIT #109	GCU #109
GALLEGOS CYN UNIT #13-1	GCU #13-1
GALLEGOS CYN UNIT #383	GSU #383
GALLEGOS CYN UNIT #386	GCU #386
GALLEGOS CYN UNIT #500	GCU #500
GALLEGOS CYN UNIT #501	GCU #501
GALLEGOS CYN UNIT #535	GCU #535
GALLEGOS CYN UNIT #536	GCU #536
GALLEGOS CYN UNIT #537	GCU #537
GALLEGOS ETAL #96-E	GALLEGOS ETAL #96-E
HANLEY #1	HANLEY #1
HOOD G #1	HOOD G #1
HUTCINSON	HUTCINSON
HUTTON GAS COM #1-E	HG COM #1-E
HUTTON GAS UNIT #1H06	HGU #1H06
IRVIN COM #1	IRVIN COM #1
IRVIN COM #1-E	IRVIN COM #1-E
JOHNSON GAS COM-C #1-E	JG COM-C #1-E
JOHNSON GAS UNIT-C #1	JGU C #1
LESIE K	LESIE K
MCLROY #1	MCLROY #1
MOONLIGHT MESA #1	M. MESA #1
MOONLIGHT MESA #1	M. MESA #1
REDFERN #1	REDFR #1
ROBERTS GAS COM B #1	RGC-B #1-E
ROBERTS GAS COM-B #1-E	RGC-B #1-E
ROP CO FEE 12 PC #1	ROP CO #12-1
ROP CO FEE 12 PCFC #2	ROP CO #12-2
SCHENKE V #1	SV #1
SCOTT #1	SCOTT #1
SCOTT #1-E	SCOTT #1-E
SHOTANI #2	SHOTANI #2
SHOTANI #3	SHOTANI #3
SMITH #1	SMITH #1

**BEFORE THE**  
**OIL CONSERVATION DIVISION**  
Case No. 11247 Exhibit No. 18  
Submitted By:  
Richardson Operating Company  
Hearing Date: April 20, 1995

*Economic and Engineering Report*

**Economic Runs for Application to Commingled,  
Pictured Cliffs and Fruitland Coal.**

The following is a summary of economic scenarios for Pictured Cliffs and Fruitland Coal completions in West Gallegos prospect, Sec 12, 29N, 13W, San Juan County, New Mexico. The purpose of the following economic analysis is to compare profitability and reserves between a commingled Pictured Cliffs and Fruitland Coal well, versus two different wells one completed at Pictured Cliffs and one completed at Fruitland Coal.

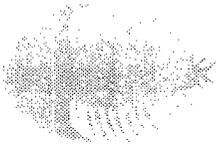
For the purpose of comparison, the following parameters were held constant, both for ROPCO and Amoco:

Working Interest	100%
Net Revenue Interest	80%
First day of Production	January 1, 1996
State, Severance and Ad Valorem Tax	8.26%
Escalation of operating costs	3% annually after 12/96
Water Injection Costs (\$/bbl)	1.25
Gas Price (\$/MCF)	1.39, escalated 3% annually after 12/96

<b>Performance:</b>	<b>Pictured Cliffs</b>	<b>Fruitland Coal</b>	<b>PC &amp; FC Commingled</b>
Gas initial Rate (MCF/day)	600	250	850
Gas annual decline rate	10%	10%	10%
Initial water production rate (bbl/day)	60	15	75
Water annual decline rate	10%	10%	10%

In addition to the current analysis, in the appendix of this report are the tabulated list of operating cost calculations and the Summary Reports from the economic runs.

For every well in all cases considered above, a compressor is purchased at \$85,000 and financed over 4 years at 9% annual rate. This results to a \$2115/month payment for the first 4 years.



**Summarized Results**

**A: Pictured Cliffs**

The cost to drill and complete a Pictured Cliffs well is \$123,272.

Gas Reserves (MCF)	1,945,447
Life of Project to Economic Limit (yrs, mos)	26, 4
Net Cash Flow (Undiscounted)	\$1,475,492
Net Cash Flow (Discounted at 10%)	\$725,403
Profit / Investment Ratio	11.97
Total Capital Expenses	\$123,272

**B: Fruitland Coal**

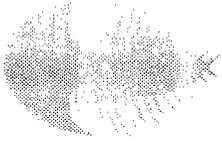
The cost to drill and complete a Fruitland Coal well is \$124,580

Gas Reserves (MCF)	575,073
Life of Project to Economic Limit (yrs, mos)	10, 5
Net Cash Flow (Undiscounted)	\$118,278
Net Cash Flow (Discounted at 10%)	\$47,391
Profit / Investment Ratio	0.96
Total Capital Expenses	\$124,580

**C: Commingled Pictured Cliffs and Fruitland Coal Well**

The cost to drill and complete a commingled Pictured Cliffs and Fruitland Coal well is \$177,379.

Gas Reserves (MCF)	2,813,064
Life of Project to Economic Limit (yrs, mos)	29, 9
Net Cash Flow (Undiscounted)	\$2,408,159
Net Cash Flow (Discounted at 10%)	\$1,149,163
Profit / Investment Ratio	13.57
Total Capital Expenses	\$177,379



**D: Comparison Between a Commingled PC&FC Completion and a Combination of one PC and one FC Well.**

The following is a direct comparison between one commingled Pictured Cliffs and Fruitland Coal well, versus a two wells combined; one completed at Pictured Cliffs and the other completed at Fruitland Coal.

	<b>Commingled</b>	<b>Combined</b>
<b>Gas Reserves (MCF)</b>	2,816,761	2,520,345
<b>Life of Project to Economic Limit (yrs, mos)</b>	30, 0	26, 4
<b>Net Cash Flow (Undiscounted)</b>	\$2,503,544	\$1,593,770
<b>Net Cash Flow (Discounted at 10%)</b>	\$1,192,249	\$772,794
<b>Profit / Investment Ratio</b>	14.11	6.43
<b>Total Capital Expenses</b>	\$177,379	\$247,852

**D: Conclusions**

According to all the above considerations, the commingling case results to the most favorable economics. The economics as a result of commingling will benefit the State with higher reserves recoverable, higher life of the project, thus conservation of natural resources by waste reduction, higher tax revenues and employment. The working interest owners will benefit by greater return on investment.

Signed:

George D. Vassilellis  
Production Supervisor  
April 6, 1995

APPENDIX I  
OPERATING COSTS CALCULATIONS

In cases (1) and (i), compressors are rented, maintenance free.

	<b>ROPCO</b>	<b>AMOCO</b>
Overhead	450	500
Pumper	275	275
Compressor Rental	1,646	2,500
District Office	0	300
<b>TOTAL</b>	<b>2,371</b>	<b>3,575</b>

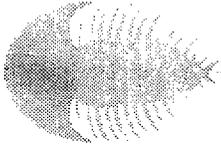
In cases (2) and (ii), compressors are purchased and financed over a period of years.

	<b>ROPCO</b>	<b>AMOCO</b>	<b>AMOCO</b>
	<b>4 year plan</b>	<b>4 year plan</b>	<b>5 year plan</b>
Overhead	450	500	500
Pumper	275	275	275
Compressor Monthly Payment*	2,115	2,986	2,500
Compressor Maintenance	400	400	400
District Office	0	300	300
<b>TOTAL</b>	<b>3,240</b>	<b>4,461</b>	<b>3,975</b>

\* This expense takes effect only for the period over which the purchase is financed.

In cases (3) and (iii), used compressors are purchased.

	<b>ROPCO</b>	<b>AMOCO</b>
Overhead	450	500
Pumper	275	275
Compressor Maintenance	400	400
District Office	0	300
<b>TOTAL</b>	<b>1125</b>	<b>1475</b>

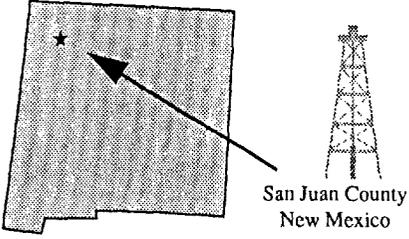


APPENDIX II  
ECONOMIC RUN RESULTS

The following are tabulated results of economic runs covering cases 1-3 and i-iii. The economic analysis program utilized is ENPAK.

**ROPCO Federal #12-3**

SE SW Sec 12, T29N, R13W  
San Juan County, New Mexico



San Juan County  
New Mexico

**Wellbore Diagram**  
*Proposed Completion*  
**April 05, 1995**

Compiled by: KNP, April 5, 1995

Formation Tops

Depth  
ft

Depth  
ft

200' Csg 7", 20#, J-55

Tbg 2 3/8" J-55

1400' EOT

1420-40' Perforations

1465-85' Perforations

Fruitland Fm 1420'

Picture Cliffs 1465'

TD: 1630'

1630' 4 1/2" csg 10.5# J-55

BEFORE THE

OIL CONSERVATION DIVISION

Case No. 11247 Exhibit No. 20

Submitted By:

Richardson Operating Company

Working Date: April 22, 1995

**ESTIMATED  
BOTTOMHOLE PRESSURE**

**(adjusted to 1465')**

**Fruitland Coal:**

**ROPCO Fee FC 7 No. 1  
7L-29N-12W San Juan Co., NM**

**BHP=210 psig**

**Pictured Cliffs:**

**ROPCO Federal PC 12 No. 1  
12J-29N-13W San Juan Co., NM**

**BHP=241 psig**



1115 Farmington Avenue  
 Farmington, N.M. 87401  
 (505) 325-6622

Analysis No. ROP40001  
 Cust. No. 68000-10000

WELL/LEASE INFORMATION

Company	: RICHARDSON OPERATING CO.	Source	:
Well Name	: ROPCO FED. PC 12 NO. 1	Pressure	: 163 PSIG
County	: SAN JUAN	Sample Temp.	: 45 DEG.F
State	:	Well Flowing	: NO
Location	: 12-29N-13W	Date Sampled	: 04/16/94
Fld/Formation	: PICTURED CLIFFS	Sampled By	: BRUCE DELVENTHAL
Cust.Stn.No.	:	Foreman/Engr	:

Remarks:

ANALYSIS

COMPONENT	MOLE %	GPM**	B.T.U.*	SP.GR.*
NITROGEN	2.219	0.0000	0.00	0.0215
CO2	0.000	0.0000	0.00	0.0000
METHANE	97.276	0.0000	984.72	0.5388
ETHANE	0.316	0.0845	5.61	0.0033
PROPANE	0.099	0.0273	2.50	0.0015
I-BUTANE	0.017	0.0056	0.55	0.0003
N-BUTANE	0.026	0.0082	0.85	0.0005
I-PENTANE	0.009	0.0033	0.36	0.0002
N-PENTANE	0.006	0.0022	0.24	0.0001
HEXANES	0.032	0.0140	1.64	0.0010
TOTAL	100.000	0.1451	996.48	0.5672

\* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY  
 \*\* @ 14.730 & 60 DEG. F

COMPRESSIBILITY FACTOR	(1/Z)	1.0020
BTU/CU.FT. (DRY) CORRECTED FOR	(1/Z)	998.5
BTU/CU.FT. (WET) CORRECTED FOR	(1/Z)	981.1
REAL SPECIFIC GRAVITY		0.5681

ANALYSIS RUN AT 14.730 PSIA & 60 DEGREES F

CYLINDER #	: K037
CYLINDER PRESSURE	: 158 PSIG
DATE RUN	: 04/19/94
ANALYSIS RUN BY	: KATHLEEN EGOSQUE

BEFORE THE  
 OIL CONSERVATION DIVISION  
 Case No. 11247 Exhibit No. 22  
 Submitted By:  
 Richardson Operating Company  
 Hearing Date: April 20, 1995

EL PASO NATURAL GAS COMPANY  
 VOLUME ACCOUNTING DEPARTMENT  
 MEASUREMENT DIVISION  
 POST OFFICE BOX 1492  
 EL PASO, TEXAS 79978  
 PHONE: (915) 541-5267

DATE 6/08/94

CHROMATOGRAPHIC GAS ANALYSIS REPORT

MAILEE  
 53220

RICHARDSON OPERATING COMPANY  
 1700 LINCOLN STREET, SUITE 1700  
 DENVER, CO 80203-4517

METER NUMBER 97422 - ROPCO FEE FC 7 #1 FRT  
 OPERATOR 0238 - RICHARDSON OPERATING COMPANY

ANALYSIS DATE 5/11/94 TYPE CODE 2 - ACTUAL  
 SAMPLE DATE 5/10/94 H2S GRAINS 0  
 EFFECTIVE DATE 6/01/94 LOCATION D - DANIELS FM  
 EFFECTIVE FOR 6 MONTHS

COMPONENTS	NORMALIZED MOL %	GPM
CO2	.67	.000
H2S	.00	.000
N2	.39	.000
METHANE	96.56	.000
ETHANE	1.38	.369
PROPANE	.56	.154
ISO-BUTANE	.10	.033
NORM-BUTANE	.15	.047
ISO-PENTANE	.05	.018
NORM-PENTANE	.04	.014
HEXANE PLUS	<u>.10</u>	<u>.044</u>
	100.00	0.679

SPECIFIC GRAVITY .583  
 MIXTURE HEATING VALUE  
 (BTU @ 14.73 DRY) 1035  
 RATIO OF SPECIFIC HEATS .000  
 NO TEST SECURED FOR H2S CONTENT

BEFORE THE  
 OIL CONSERVATION DIVISION  
 Case No. 11247 Exhibit No. 23  
 Submitted By:  
 Richardson Operating Company  
 Hearing Date: April 20, 1995

**ROPCO FEDERAL 12 NO. 3 (A) PC (B) FC**

**MONTHLY GAS PRODUCTION ALLOCATION FORMULA**

**GENERAL EQUATION**

$$Q_t = Q_{ftc} + Q_{pc}$$

**Where:**  $Q_t$  = Total Monthly Production (MCF/MO)

$Q_{ftc}$  = Fruitland Coal Monthly Production

$Q_{pc}$  = Pictured Cliffs Monthly Production

**REARRANGING THE EQUATION TO SOLVE FOR  $Q_{ftc}$ :**

$$Q_{ftc} = Q_t - Q_{pc}$$

**ANY PRODUCTION RATE OVER WHAT IS CALCULATED FOR THE PICTURED CLIFFS USING THE APPLIED FORMULA IS FRUITLAND COAL PRODUCTION.**

**PICTURED CLIFFS FORMATION PRODUCTION FORMULA IS:**

$$Q_{pc} = Q_{pci} * e^{-\{D_{pc}\} * (t)}$$

**Where:**  $Q_{pci}$  = Initial Pictured Cliffs monthly flow rate (calculated from flow test)

$D_{pc}$  = Pictured Cliffs monthly decline rate calculated from

$$(Q_{pci} - Q_{pcabd}) / N_p$$

See Determination of  $Q_{pci}$  and PC Estimated Ultimate Recovery (EUR)

$$Q_{pcabd} = 300 \text{ MCF/mo}$$

**Where:**  $N_p$  = Pictured Cliffs estimated ultimate recovery (EUR)

$$P^* \times 0.84 \text{ MMCF/PSI}^{**} \times R_f$$

$P^*$  = initial reservoir pressure (7 day SIBHP)

$R_f$  = recovery factor (field analogy) = 0.85

**\*\*Determined from material balance (field analogy) and volumetric reserves (log analysis)**

**By calculating PC EUR from SIBHP and determining PC initial flow rate,  $D_{pc}$  can then be estimated utilizing the previously described parameters.**

**THUS:**  $Q_{ftc} = Q_t - Q_{pci} * e^{-\{D_{pc}\} * (t)}$

**WHERE:** (t) is in months

BEFORE THE

OIL CONSERVATION DIVISION

Case No. 11247 Exhibit No. 24

Submitted By:

Richardson Operating Company

Hearing Date: April 20, 1995

**ROPCO FEDERAL 12 NO. 3 (A) PC (B) FC**

**DETERMINATION OF Qpci:**

**(INITIAL PICTURED CLIFFS MONTHLY PRODUCTION)**

$$Q_{pci} = Q_t(1) \times Q_{pc}(p) / \{Q_{pc}(p) + Q_{ftc}(p)\}$$

**WHERE:**

**Q<sub>t</sub>(1) = First month's total production (MCF)**

**Q<sub>pc</sub>(p) = Final Pictured Cliffs Flow Test (MCFD)**

**Q<sub>ftc</sub>(p) = Final Fruitland Coal Flow Test (MCFD)**

**ROPCO FEDERAL 12 NO. 3 (A) PC (B) FC**

**DETERMINATION OF  $N_p$  (PC):**

$$N_p \text{ (PC)} = 0.84 \text{ MMCF/PSI} \times P^* \times R_f$$

$$P^* = 241 \text{ PSI}$$

$$N_p \text{ (PC)} = 0.84 \times 241 \times 0.85 = 172.1 \text{ MMCF}$$

**DETERMINATION OF  $Q_{pci}$ :**

$$Q_{pci} = Q_t(1) \times \{Q_{pc} (p) / (Q_{pc} (p) + Q_{ftc} (p))\}$$

$$Q_t (1) = \text{1st month's total production}$$

$$Q_{pc} (p) = 398 \text{ MCFD}$$

$$Q_{ftc} (p) = 50 \text{ MCFD}$$

$$Q_{pci} = Q_t (1) \times 0.89$$

**DETERMINATION OF  $D_{pc}$ :**

$$D_{pc} = (Q_{pci} - Q_{pcabn}) / N_{pc}$$

$$D_{pc} = ((Q_t (1) * 0.89) - 300) / 172,100 \text{ MCF}$$

**THUS:**

$$Q_{ftc} = Q_t \text{ (MCF/mo)} - Q_{pci} \times e^{-\{-(D_{pc} \times t)\}}$$

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

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION  
FOR THE PURPOSE OF CONSIDERING:

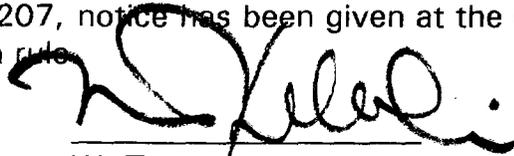
CASE NO. 11246

Application of Richardson Operating  
Company for compulsory pooling, and  
an unorthodox gas well location,  
ROPCO Fee "12" Well No. 4,  
San Juan County, New Mexico.

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 11247 Exhibit No. 25  
Submitted By:  
Richardson Operating Company  
Hearing Date: April 20, 1995

CERTIFICATE OF MAILING  
AND  
COMPLIANCE WITH ORDER R-8054

W. THOMAS KELLAHIN, attorney in fact and authorized  
representative of Richardson Operating Company, states that the  
notice provisions of Division Rule 1207 (Order R-8054) have been  
complied with, that Applicant has caused to be conducted a good  
faith diligent effort to find the correct addresses of all interested  
parties entitled to receive notice, that on the 15th day of March,  
1995 I caused to be sent, by certified mail return receipt requested,  
notice of this hearing and a copy of the application for the referenced  
case along with the cover letter, at least twenty days prior to the  
hearing set for April 6, 1995, to the parties shown in the application  
as evidenced by the attached copies of receipt cards, and that  
pursuant to Division Rule 1207, notice has been given at the correct  
addresses provided by such rule.

  
W. Thomas Kellahin

SUBSCRIBED AND SWORN to before me on this 5th day of April, 1995.

  
Notary Public

My Commission Expires: June 15th, 1998

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return it to you.  
 • Attach to this form a return address and date.  
 • Write legibly in black ink.  
 • The recipient must be a resident of the United States.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Glenn P. Wycoff  
 11206 County Road 213  
 Durango, CO 81301

4a. Article Number  
 209 485 144

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

Z 209 485 144  
  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

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

PS For

Special Delivery Fee	
Restricted Delivery Fee	

Thank you for using Return Receipt Service.

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return it to you.  
 • Attach to this form a return address and date.  
 • Write legibly in black ink.  
 • The recipient must be a resident of the United States.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Paula A. Maxwell  
 300 Lila Lane #10  
 Athens, TX 75751

4a. Article Number  
 135 852 476

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3/11/95

5. Signature (Addressee)  
*Paula A. Maxwell*

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

P 135 852 476  
  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

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

0, June 1991

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$

Thank you for using Return Receipt Service.

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return it to you.  
 • Attach to this form a return address and date.  
 • Write legibly in black ink.  
 • The recipient must be a resident of the United States.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Hugh J. Mitchell, Trustee:  
 Hugh J. Mitchell, Raimonda Mitchell  
 Revocable Trust  
 4240 N. Buena Vista Ave.  
 Farmington, NM 87401

4a. Article Number  
 135 852 479

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery

5. Signature (Addressee)  
*Andrea Pulte*

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

P 135 852 479  
  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to  
 Hugh J. Mitchell, Trustee:  
 Hugh J. Mitchell, Raimonda Mitchell  
 Revocable Trust  
 4240 N. Buena Vista Ave.  
 Farmington, NM 87401

00, June 1991

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Thank you for using Return Receipt Service.

Richardson/12-4(04/06/95)  
 March 15, 1995

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.

Richardson/12-4(04/06/95)  
 March 15, 1995

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Northern Specialty Company, Inc.  
 c/o JC Patterson  
 308 S. Ivie Ave.  
 Farmington, NM 87401

4a. Article Number  
 209 485 146

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3/16/95

5. Signature (Addressee)  
*J.C. Patterson*

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

2 209 485 146

 **Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail  
 (See Reverse)

PS Form 3811, June 1991

Sent to  
 Northern Specialty Company, Inc.  
 c/o JC Patterson  
 308 S. Ivie Ave.  
 Farmington, NM 87401

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	

Thank you for using Return Receipt Service.

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.

Richardson/12-4(04/06/95)  
 March 15, 1995

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Wayne Tarpley  
 POB 337  
 Aztec, NM 87410

4a. Article Number  
 135 852 475

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3/16-95

5. Signature (Addressee)  
*Wayne Tarpley*

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

P 135 852 475

 **Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail  
 (See Reverse)

Wayne Tarpley  
 POB 337  
 Aztec, NM 87410

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
Postage and Fees	\$
Postmark or Date	

Thank you for using Return Receipt Service.

Richardson/12-4(04/06/95)  
 March 15, 1995

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return it to you.

Richardson/ROPCO(04/06/95)  
 March 15, 1995

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Amoco Production Company  
 POB 800  
 Denver, CO 80210  
 Attn: Ms. Julie Talbot Jenkins

4a. Article Number  
 135 851 301

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-20-95

5. Signature (Addressee)

6. Signature (Agent)

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

P 135 851 300  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to

Amoco Production Company  
 POB 800  
 Denver, CO 80210  
 Attn: Ms. Julie Talbot Jenkins

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$

June 1991

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return it to you.

Richardson/12-8(04/06/95)  
 March 15, 1995

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Roderick Allen Markham  
 1500 Broadway  
 Ste. 1212  
 Lubbock, TX 79401

4a. Article Number  
 135 851 293

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-20-95

5. Signature (Addressee)  
 Nancy Stence

6. Signature (Agent)  
 S. Math

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

P 135 851 293  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to

Roderick Allen Markham  
 1500 Broadway  
 Ste. 1212  
 Lubbock, TX 79401

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$

June 1991

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.

Richardson/12-8(04/06/95)  
 March 15, 1995

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Christmann Mineral Company  
 1500 Broadway  
 Ste 800  
 Lubbock, TX 79401

4a. Article Number  
 135 851 294

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-20-95

5. Signature (Addressee)  
 S. Math

6. Signature (Agent)  
 S. Math

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

P 135 851 294  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to

Christmann Mineral Company  
 1500 Broadway  
 Ste 800  
 Lubbock, TX 79401

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$

Postmark or Date  
 Richardson/12-8(04/06/95)  
 March 15, 1995

June 1991

Thank you for using Return Receipt Service.

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 P Richardson/12-4(04/06/95)  
 March 15, 1995

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Rosalind Redfern  
 POB 2127  
 Midland, TX 79702

4a. Article Number  
 135 852 484

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 MAR 20 1995

5. Signature (Addressee)  
*[Signature]*

6. Signature (Agent)  
*[Signature]*

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

P 135 852 484  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to  
 Rosalind Redfern  
 POB 2127  
 Midland, TX 79702

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 P Richardson/12-4(04/06/95)  
 March 15, 1995

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Kerr-McGee Corporation  
 POB 25861  
 Oklahoma City, OK 73125

4a. Article Number  
 135 852 483

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 MAR 20 1995

5. Signature (Addressee)  
*[Signature]*

6. Signature (Agent)  
*[Signature]*

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

P 135 852 483  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to  
 Kerr-McGee Corporation  
 POB 25861  
 Oklahoma City, OK 73125

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 P Richardson/12-4(04/06/95)  
 March 15, 1995

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Bernice A. Burnham  
 Revocable Trust  
 c/o Burnham Realty  
 3300 Burnham Road  
 Farmington, NM 87401

4a. Article Number  
 135 852 482

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 MAR 21 1995

5. Signature (Addressee)  
*[Signature]*

6. Signature (Agent)  
*[Signature]*

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

P 135 852 482  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

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

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

3800, June 1991  
 Richardson/12-4(04/06/95)  
 March 15, 1995

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • At Richardson/12-4 (04/06/95)  
 • Write March 15, 1995  
 • The return receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 BHP Petroleum(Americas)Inc.  
 1360 Post Oak blvd.  
 Ste 500  
 Houston, TX 77056

4a. Article Number  
 209 485 145

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-15

5. Signature (Addressee)  
 [Signature]

6. Signature (Agent)  
 [Signature]

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

Z 209 485 145

 **Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail  
 (See Reverse)

1993  
 Sent to  
 BHP Petroleum(Americas)Inc.  
 1360 Post Oak blvd.  
 Ste 500  
 Houston, TX 77056

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage	

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • At Richardson/12-4 (04/06/95)  
 • Write March 15, 1995  
 • The return receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

JJ DeWeerd  
 730 Country Club Dr.  
 Silver City, NM 88061

4a. Article Number  
 135 851 297

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery

5. Signature (Addressee)  
 [Signature]

6. Signature (Agent)  
 [Signature]

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

P 135 851 297

 **Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail  
 (See Reverse)

JJ DeWeerd  
 730 Country Club Dr.  
 Silver City, NM 88061

Special Delivery Fee	
Restricted Delivery Fee	

P 135 852 477

 **Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail  
 (See Reverse)

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • At Richardson/12-4 (04/06/95)  
 • Write March 15, 1995  
 • The return receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

Earl A. Rogers  
 POB 5195  
 Abeline, TX 79608-5915

4a. Article Number  
 135 852 477

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 MAR 22 1995

5. Signature (Addressee)  
 [Signature]

6. Signature (Agent)  
 [Signature]

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

Sent to  
 Earl A. Rogers  
 POB 5195  
 Abeline, TX 79608-5915

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Richardson/12-4 (04/06/95)  
 March 15, 1995

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • Attach this card to the mailpiece, or on the back if space does not permit.  
 • Write legibly in ink.  
 • The return receipt is not valid unless the return receipt is delivered.

Richardson/12-3(04/06/95)  
 March 15, 1995

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Manon Markham McMullen  
 2200 Berkley  
 Wichita Falls, TX 76308

4a. Article Number  
 135 852 485

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-17-95

5. Signature (Addressee)  
 Mary K. Mossman

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

P 135 852 485  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to  
 Manon Markham McMullen  
 2200 Berkley  
 Wichita Falls, TX 76308

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	

1991

Thank you for using Return Receipt Service.

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • Attach this card to the mailpiece, or on the back if space does not permit.  
 • Write legibly in ink.  
 • The return receipt is not valid unless the return receipt is delivered.

Richardson/12-9(04/06/95)  
 March 15, 1995

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Fred A. Mossman & Mary K. Mossman Trust  
 c/o Edward Gladden, CO Trustee  
 2700 San Mateo NE  
 Albuquerque, NM 87110

4a. Article Number  
 135 851 295

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-17-95

5. Signature (Addressee)  
 Mary K. Mossman

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

P 135 851 295  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to  
 Fred A. Mossman & Mary K. Mossman Trust  
 c/o Edward Gladden, CO Trustee  
 2700 San Mateo NE  
 Albuquerque, NM 87110

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom & Date Delivered	
Postage & Fees	\$

00, June 1991

Thank you for using Return Receipt Service.

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • Attach this card to the mailpiece, or on the back if space does not permit.  
 • Write legibly in ink.  
 • The return receipt is not valid unless the return receipt is delivered.

Richardson/12-3(04/06/95)  
 March 15, 1995

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 City of Farmington  
 800 Municipal Drive  
 Farmington, NM 87401

4a. Article Number  
 135 851 299

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-16-95

5. Signature (Addressee)  
 City of Farmington

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

P 135 851 295  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to  
 City of Farmington  
 800 Municipal Drive  
 Farmington, NM 87401

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom & Date Delivered	
Postage & Fees	\$

00, June 1991

Thank you for using Return Receipt Service.

is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Weldon C. Julander, Ila Mae Julander  
 POB 2773  
 Littleton, CO 80161

4a. Article Number  
 135 857 358

4b. Service Type

Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-20-95

5. Signature (Addressee)

*[Signature]*

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

P 135 852 478  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail  
 (See Reverse)

Sent to  
 Weldon C. Julander, Ila Mae Julander  
 POB 2773  
 Littleton, CO 80161

Thank you for using Return Receipt Service

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS F 00, June 1991

Richardson/12-B(04/06/95)  
 March 15, 1995

P 135 852 481  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail  
 (See Reverse)

Sammy B. Reiser  
 POB 190  
 Windsor, CO 80550

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS F 3800, June 1991

Richardson/12-B(04/06/95)  
 March 15, 1995

P 135 852 480  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail  
 (See Reverse)

Teddy A. Reiser  
 9914 Lawndale  
 Kansas City, MO 64137

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS F 3800, June 1991

Richardson/12-B(04/06/95)  
 March 15, 1995

**SENDER:**

Complete items 1 and/or 2 for additional services.  
 Complete items 3, and 4a & b.

Print the address on the reverse of this form so that we can  
 return it to you.  
 Return to: Richardson/12-~~4~~(04/06/95)  
 March 15, 1995  
 Write the date  
 The date delivered.

I also wish to receive the following services (for an extra fee):

1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Ruth Tanner Wheeler  
 2655 N. Olympic Circle  
 Mesa, AZ 85205

4a. Article Number  
 135 851 298

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3/27/95

Signature (Addressee)  
 Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 ★U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

P 135 851 298



**Receipt for Certified Mail**

No Insurance Coverage Provided  
 Do not use for International Mail  
 (See Reverse)

Sent to

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

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS 800, June 1991

Richardson/12-~~4~~(04/06/95)  
 March 15, 1995

P 135 851 296



**Receipt for Certified Mail**

No Insurance Coverage Provided  
 Do not use for International Mail  
 (See Reverse)

Sent to

Denver & Rio Grand Western Railroad  
 c/o Bill Miller  
 555 17th Street,  
 Ste. 2400  
 Denver, CO 80202-3987

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Richardson/12-~~4~~(04/06/95)  
 March 15, 1995

PS 800, June 1991

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

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION  
FOR THE PURPOSE OF CONSIDERING:

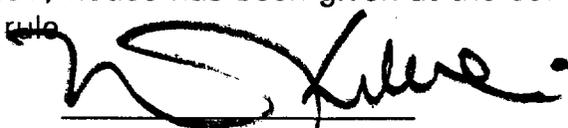
CASE NO. 11247

Application of Richardson Operating  
Company for compulsory pooling, downhole  
commingling and an unorthodox gas well  
location, ROPCO Fed "12" Well No. 3,  
San Juan County, New Mexico.

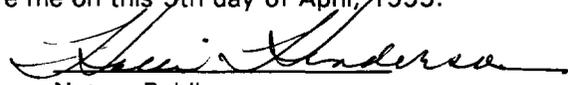
BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 11247 Exhibit No. 26  
Submitted By:  
Richardson Operating Company  
Hearing Date: April 20, 1995

CERTIFICATE OF MAILING  
AND  
COMPLIANCE WITH ORDER R-8054

W. THOMAS KELLAHIN, attorney in fact and authorized representative of Richardson Operating Company, states that the notice provisions of Division Rule 1207 (Order R-8054) have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested parties entitled to receive notice, that on the 15th day of March, 1995 I caused to be sent, by certified mail return receipt requested, notice of this hearing and a copy of the application for the referenced case along with the cover letter, at least twenty days prior to the hearing set for April 6, 1995, to the parties shown in the application as evidenced by the attached copies of receipt cards, and that pursuant to Division Rule 1207, notice has been given at the correct addresses provided by such rule.

  
W. Thomas Kellahin

SUBSCRIBED AND SWORN to before me on this 5th day of April, 1995.

  
Notary Public

My Commission Expires: June 15th, 1998

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

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION  
FOR THE PURPOSE OF CONSIDERING:

**CASE NO. 11247**

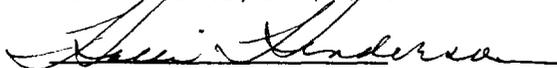
Application of Richardson Operating  
Company for compulsory pooling, downhole  
commingling and an unorthodox gas well  
location, ROPCO Fed "12" Well No. 3,  
San Juan County, New Mexico.

**CERTIFICATE OF MAILING  
AND  
COMPLIANCE WITH ORDER R-8054**

W. THOMAS KELLAHIN, attorney in fact and authorized representative of Richardson Operating Company, states that the notice provisions of Division Rule 1207 (Order R-8054) have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested parties entitled to receive notice, that on the 15th day of March, 1995 I caused to be sent, by certified mail return receipt requested, notice of this hearing and a copy of the application for the referenced case along with the cover letter, at least twenty days prior to the hearing set for April 6, 1995, to the parties shown in the application as evidenced by the attached copies of receipt cards, and that pursuant to Division Rule 1207, notice has been given at the correct addresses provided by such rule.

\_\_\_\_\_  
W. Thomas Kellahin

SUBSCRIBED AND SWORN to before me on this 5th day of April, 1995.

  
Notary Public

My Commission Expires: June 15th, 1998



Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • A Postmark of the mailpiece, or on the back if space  
 does Richardson/12-3(04/06/95)  
 • W March 15, 1995  
 • T  
 delivered.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Arnold E. Carle  
 c/o Genevieve Carle  
 POB 4325  
 Bancover, WA 98662-0325

4a. Article Number  
 135 851 374

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery

5. Signature (Addressee)  
*Genevieve M. Carle*

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

P 135 851 374  
  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail  
 (See Reverse)

Sent to  
 Arnold E. Carle  
 c/o Genevieve Carle  
 POB 4325  
 Bancover, WA 98662-0325

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$

June 1991

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • A Postmark of the mailpiece, or on the back if space  
 does Richardson/12-3(04/06/95)  
 • W March 15, 1995  
 • T  
 delivered.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Manon Markham McMullen  
 200 Berkley  
 Wichita Falls, TX 76308

4a. Article Number  
 135 851 373

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-17-95

5. Signature (Addressee)  
*Manon Markham McMullen*

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

P 135 851 373  
  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail  
 (See Reverse)

Sent to  
 Manon Markham McMullen  
 200 Berkley  
 Wichita Falls, TX 76308

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$

2 209 485 141

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • A Postmark of the mailpiece, or on the back if space  
 does Richardson/12-3(04/06/95)  
 • W March 15, 1995  
 • T  
 delivered.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 United State of America  
 Bureau of Land Management  
 c/o Duane Spencer  
 1235 La Plata Highway  
 Farmington, NM 87401

4a. Article Number  
 209 485 141

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-16-95

5. Signature (Addressee)

6. Signature (Agent)  
*Conna M. Randall*

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail  
 (See Reverse)

Sent to  
 United State of America  
 Bureau of Land Management  
 c/o Duane Spencer  
 1235 La Plata Highway  
 Farmington, NM 87401

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$

PS Form 3811, December 1991  
 Richardson/12-3(04/06/95)  
 March 15, 1995

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • Attach this form to the front of the mailpiece.  
 • Write **Richardson/12-3(04/06/95)**  
 • The **March 15, 1995**  
 deliver

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 City of Farmington  
 800 Municipal Drive  
 Farmington, NM 87401

4a. Article Number  
**135 851 364**  
 4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise  
 7. Date of Delivery  
**3/17/95**

5. Signature (Addressee)  
 [Signature]  
 6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

P 135 851 364  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail  
 (See Reverse)

City of Farmington  
 800 Municipal Drive  
 Farmington, NM 87401

Certified fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

00, June 1991  
 Richardson/12-3(04/06/95)  
 March 15, 1995

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.

Richardson/12-3(4/6/95)  
 March 21, 1995

3. Article Addressed to:  
 Ted Edward Duff  
 TE Duff Trust  
 POB 9908  
 Midland, TX 79708

4a. Article Number  
 091 495 903

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-23-95

5. Signature (Addressee)  
 Ted Edward Duff

6. Signature (Agent)

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

8. Addressee's Address (Only if requested and fee is paid)

2 091 495 903

**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to  
 Ted Edward Duff  
 TE Duff Trust  
 POB 9908  
 Midland, TX 79708

P 135 851 361

**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to  
 Wayne Tarpley  
 POB 337  
 Aztec, NM 87410

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.

Richardson/12-3(04/06/95)  
 March 15, 1995

3. Article Addressed to:  
 Wayne Tarpley  
 POB 337  
 Aztec, NM 87410

4a. Article Number  
 135 851 341

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-15-95

5. Signature (Addressee)  
 Wayne Tarpley

6. Signature (Agent)

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

8. Addressee's Address (Only if requested and fee is paid)

100, June 1991

Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

P 135 851 357

**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to  
 Hugh J. Mitchell, Trustee:  
 Hugh J. Mitchell, Raimonda Mitchell  
 Revocable Trust  
 4240 N. Buena Vista Ave.  
 Farmington, NM 87401

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.

Richardson/12-3(04/06/95)  
 March 15, 1995

3. Article Addressed to:  
 Hugh J. Mitchell, Trustee:  
 Hugh J. Mitchell, Raimonda Mitchell  
 Revocable Trust  
 4240 N. Buena Vista Ave.  
 Farmington, NM 87401

4a. Article Number  
 135 851 357

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3/18/95

5. Signature (Addressee)  
 Hugh J. Mitchell

6. Signature (Agent)

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

8. Addressee's Address (Only if requested and fee is paid)

100, June 1991

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Richardson/12-3(04/06/95)  
 March 15, 1995

Thank you for using Return Receipt Service.

Thank you for using Return Receipt Service.

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • Attach this form to the front of the mailpiece, or on the back if space does not permit.

Richardson/12-3(4/6/95)  
 March 21, 1995

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

2 091 495 902



**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

3. Article Addressed to:  
 Judith Dianne Duff Leach  
 4000 Shenandoah NE  
 Albuquerque, NM 87111

4a. Article Number  
 091 495 902

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-22-95

5. Signature (Addressee)  
 Judith Dianne Duff Leach

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

Sent to  
 Judith Dianne Duff Leach  
 4000 Shenandoah NE  
 Albuquerque, NM 87111

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date and Addressee's Address	
TOTAL Postage & Fees	\$

March 1993

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • Attach this form to the front of the mailpiece, or on the back if space does not permit.

Richardson/12-3(04/06/95)  
 March 15, 1995

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.



**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

3. Article Addressed to:  
 Weldon C. Julander, Ila Mae Julander  
 POB 2773  
 Littleton, CO 80161

4a. Article Number  
 135 852 478

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-20-95

5. Signature (Addressee)  
 Weldon C. Julander

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

Sent to  
 Weldon C. Julander, Ila Mae Julander  
 POB 2773  
 Littleton, CO 80161

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date and Addressee's Address	
TOTAL Postage & Fees	\$

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • Attach this form to the front of the mailpiece, or on the back if space does not permit.

Richardson/12-3(04/06/95)  
 March 15, 1995

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.



**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

3. Article Addressed to:  
 Paula A. Maxwell  
 300 Lila Lane #10  
 Athens, TX 75751

4a. Article Number  
 135 851 360

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3/18/95

5. Signature (Addressee)  
 Paula A. Maxwell

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

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

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date and Addressee's Address	
TOTAL Postage & Fees	\$

June 1991

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • A *Richardson/12-3(04/06/95)* if space  
 • V *March 15, 1995* article number, and the date  
 • T delivered.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Northern Specialty Company, Inc.  
 c/o JC Patterson  
 308 S. Ivie Ave.  
 Farmington, NM 87401

4a. Article Number  
*135 851 362*

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
*3-20*

5. Signature (Addressee)

6. Signature (Agent)  
*[Signature]*

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

P 135 851 362  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Special Delivery Fee

Restricted Delivery Fee

Return Receipt Showing to Whom & Date Delivered

1991

Northern Specialty Company, Inc.  
 c/o JC Patterson  
 308 S. Ivie Ave.  
 Farmington, NM 87401

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • A *Richardson/12-3(04/06/95)* if space  
 • V *March 15, 1995* article number, and the date  
 • T delivered.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 JJ DeWeerd  
 730 Country Club Dr.  
 Silver City, NM 88061

4a. Article Number  
*135 851 366*

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
*3-19*

5. Signature (Addressee)

6. Signature (Agent)  
*[Signature]*

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

P 135 851 366  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Special Delivery Fee

Restricted Delivery Fee

Return Receipt Showing to Whom & Date Delivered

Return Receipt Showing to Whom

1991

JJ DeWeerd  
 730 Country Club Dr.  
 Silver City, NM 88061

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • A *Richardson/12-3(04/06/95)* if space  
 • V *March 15, 1995* article number, and the date  
 • T delivered.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Denver & Rio Grand Western Railroad  
 c/o Bill Miller  
 555 17th Street,  
 Ste. 2400  
 Denver, CO 80202-3987

4a. Article Number  
*135 851 367*

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
*3-20*

5. Signature (Addressee)

6. Signature (Agent)  
*[Signature]*

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

P 135 851 367  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Special Delivery Fee

Restricted Delivery Fee

Return Receipt Showing to Whom & Date Delivered

Return Receipt Showing to Whom, Date, and Addressee's Address

TOTAL Postage & Fees \$

Postmark or Date  
*Richardson/12-3(04/06/95)*  
*March 15, 1995*

1991

Denver & Rio Grand Western Railroad  
 c/o Bill Miller  
 555 17th Street,  
 Ste. 2400  
 Denver, CO 80202-3987

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • Attach this form to the front of the mailpiece, or on the back if space does not permit.  
 • Write "Return Receipt" in the space provided.  
 • The Return Receipt will show to whom the mailpiece was delivered.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

Article number and the date

3. Article Addressed to:  
 Glenn C. Callow  
 c/o Jeff Callow  
 626 Craig Street  
 Walla Walla, WA 99362-3349

4a. Article Number  
 135 851 369

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 2-20-95

5. Signature (Addressee)  
*[Signature]*

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

P 135 851 369  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to  
 Glenn C. Callow  
 c/o Jeff Callow  
 626 Craig Street  
 Walla Walla, WA 99362-3349

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom	

Thank you for using Return Receipt Service.

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • Attach this form to the front of the mailpiece, or on the back if space does not permit.  
 • Write "Return Receipt" in the space provided.  
 • The Return Receipt will show to whom the mailpiece was delivered.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

Article number and the date

3. Article Addressed to:  
 BHP Petroleum(Americas)Inc.  
 1360 Post Oak blvd.  
 Ste 500  
 Houston, TX 77056

4a. Article Number  
 135 851 370

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-22

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

P 135 851 370  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

BHP Petroleum(Americas)Inc.  
 1360 Post Oak blvd.  
 Ste 500  
 Houston, TX 77056

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	

Thank you for using Return Receipt Service.

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.  
 • Attach this form to the front of the mailpiece, or on the back if space does not permit.  
 • Write "Return Receipt" in the space provided.  
 • The Return Receipt will show to whom the mailpiece was delivered.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

Article number and the date

3. Article Addressed to:  
 Kerr-McGee Corporation  
 POB 25861  
 Oklahoma City, OK 73125

4a. Article Number  
 135 851 371

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

P 135 851 371  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Kerr-McGee Corporation  
 POB 25861  
 Oklahoma City, OK 73125

Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Richardson/12-3(04/06/95)  
 March 15, 1995

Thank you for using Return Receipt Service.

**SENDER:**  
 Complete items 1 and/or 2 for additional services.  
 Complete items 3, and 4a & b.  
 Print your name and address on the reverse of this form so that we can return this card to you.

Richardson/12-3(04/06/95)  
 March 15, 1995

Article Addressed to:  
 Rosalind Redfern  
 POB 2127  
 Midland, TX 79702

Signature (Addressee)  
 Signature (Agent)

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

4a. Article Number  
 135 851 372

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 MAR 20 1995

8. Addressee's Address (Only if requested and fee is paid)

P 135 851 372  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to  
 Rosalind Redfern  
 POB 2127  
 Midland, TX 79702

Special Delivery Fee	
Restricted Delivery Fee	

Thank you for using Return Receipt Service.

Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

**SENDER:**  
 Complete items 1 and/or 2 for additional services.  
 Complete items 3, and 4a & b.  
 Print your name and address on the reverse of this form so that we can return this card to you.

Richardson/12-3(04/06/95)  
 March 15, 1995

Article Addressed to:  
 Christmann Mineral Company  
 1500 Broadway  
 Ste 800  
 Lubbock, TX 79401

Signature (Addressee)  
 Signature (Agent)

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

4a. Article Number  
 209 485 142

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-20-95

8. Addressee's Address (Only if requested and fee is paid)

2 209 485 142  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to  
 Christmann Mineral Company  
 1500 Broadway  
 Ste 800  
 Lubbock, TX 79401

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom	

Thank you for using Return Receipt Service.

Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

**SENDER:**  
 Complete items 1 and/or 2 for additional services.  
 Complete items 3, and 4a & b.  
 Print your name and address on the reverse of this form so that we can return this card to you.

Richardson/12-3(04/06/95)  
 March 15, 1995

Article Addressed to:  
 Roderick Allen Markham  
 1500 Broadway  
 Ste. 1212  
 Lubbock, TX 79401

Signature (Addressee)  
 Signature (Agent)

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

4a. Article Number  
 209 485 143

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3-20-95

8. Addressee's Address (Only if requested and fee is paid)

2 209 485 143  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided  
 Do not use for International Mail (See Reverse)

Sent to  
 Roderick Allen Markham  
 1500 Broadway  
 Ste. 1212  
 Lubbock, TX 79401

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Thank you for using Return Receipt Service.

Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

Richardson/12-3(04/06/95)  
 March 15, 1995

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 • Complete items 3, and 4a & b.  
 • Print your name and address on the reverse of this form so that we can return this card to you.

**A** Complete items 1 and/or 2 for additional services.  
**doe:** Richardson/ROPCO(04/06/95)  
**V** March 15, 1995  
**T** delivered.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Amoco Production Company  
 POB 800  
 Denver, CO 80210  
 Attn: Ms. Julie Talbot Jenkins

4a. Article Number  
 135 851 304

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 3/15/95

5. Signature (Addressee)  
 6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 ★U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

P 135 851 301  
**Receipt for Certified Mail**  
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Amoco Production Company  
 POB 800  
 Denver, CO 80210  
 Attn: Ms. Julie Talbot Jenkins

Special Delivery Fee	
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Return Receipt Showing to Whom & Date Delivered	
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TOTAL Postage & Fees	\$

Richardson/ROPCO(04/06/95)  
 March 15, 1995

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P 135 851 356  
**Receipt for Certified Mail**  
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P 135 851 355  
**Receipt for Certified Mail**  
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Sent to  
 Glenn P. Wycoff  
 11206 County Road 213  
 Durango, CO 81301

Sent to  
 Teddy A. Reiser  
 3914 Lawndale  
 Kansas City, MO 64137

Sent to  
 Sammy B. Reiser  
 POB 190  
 Windsor, CO 80550

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Richardson/12-3(04/06/95)  
 March 15, 1995

Richardson/12-3(04/06/95)  
 March 15, 1995

Richardson/12-3(04/06/95)  
 March 15, 1995

800, June 1991

800, June 1991

800, June 1991

P 135 851 359

### Receipt for Certified Mail

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Sent to

**A. Rogers**  
3 5195  
line, TX 79608-5915

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Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$

Postmark or Date  
Richardson/12-3(04/06/95)  
March 15, 1995

P 135 851 368

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Sent to

**Fred A. Mossman & Mary K. Mossman Trust**  
c/o Edward Gladden, CO Trustee  
2700 San Mateo NE  
Albuquerque, NM 87110

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$

Postmark or Date  
Richardson/12-3(04/06/95)  
March 15, 1995

P 135 851 365

### Receipt for Certified Mail

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Sent to

**Ruth Tanner Wheeler**  
2655 N. Olympic Circle  
Mesa, AZ 85205

Special Delivery Fee	
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Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$

Postmark or Date  
Richardson/12-3(04/06/95)  
March 15, 1995

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• Complete items 1 and/or 2 for additional services.  
• Complete items 3, and 4a & b.  
• Print your name and address on the reverse of this form so that we can return this card to you.  
• Attach this form to the front of the mailpiece, or on the back if space permits.

1.  Addressee's Address  
2.  Restricted Delivery  
Consult postmaster for fee.

4a. Article Number  
135 851 355

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
MAR 15 1995

8. Addressee's Address (Only if requested and fee is paid)  
1906

3. Article Addressed to:  
**Sammy B. Reiser**  
POB 190  
Windsor, CO 80550

5. Signature (Addressee)  
6. Signature (Agent)

PS Form 3811, December 1991 X.U.S. GPO: 1993-352-714

**DOMESTIC RETURN RECEIPT**

P 135 851 354

### Receipt for Certified Mail

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Sent to

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

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$

Postmark or Date  
Richardson/12-3(04/06/95)  
March 15, 1995



MAR 07 '95 03:47PM AMOCO 12TH FLOOR 3038304777  
 Facsimile Transmission  
 16-7 17-3 (E-GO)

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

FROM

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*  
 Julie Jenkins

cc: Greg Grotke

*Offered on the record during the  
 cross examination of the witnesses.*

DOCKET: EXAMINER HEARING - THURSDAY - APRIL 20, 1995

8:15 A.M. - 2040 South Pacheo

Santa Fe, New Mexico

Dockets Nos 13-95 and 14-95 are tentatively set for May 4, 1995 and May 18, 1995. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

CASE 11202: (Continued from February 16, 1995, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Billy R. Wilson Robinson Brothers Drilling (Company), Inc., operator, The Travelers Indemnity Company, surety, and all other interested parties to appear and show cause why the State "A" Well No. 1 (API No. 30-015-02331), located 660 feet from the South and West lines (Unit M) of Section 36, Township 19 South, Range 28 East, Eddy County, New Mexico (which is approximately 8 miles southeast by south of the old Illinois Production Camp), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11252: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Stevens Operating Corporation, operator, American Employers Insurance, surety, and all other interested parties to appear and show cause why the Marjohn State Well No. 1 (API No. 30-005-00380), located 660 feet from the North and East lines (Unit A) of Section 11, Township 13 South, Range 28 East, Chaves County, New Mexico (which is approximately 15 miles east-northeast of Hagerman, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said wells, the Division should then be authorized to take such action as is deemed necessary to have both wells properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11253: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Charles W. Harle, operator, American Manufacturers Mutual Insurance Company, surety, and all other interested parties to appear and show cause why the Zimmerman Well No. 1, located 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 35, Township 10 South, Range 25 East, Chaves County, New Mexico (which is approximately 8 miles east of Roswell, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have said well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11254: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Charles W. Harle, operator, American Manufacturers Mutual Insurance Company, surety, and all other interested parties to appear and show cause why the Zimmerman Well No. 2, located 1650 feet from the North line and 1980 feet from the West line (Unit F) of Section 35, Township 10 South, Range 25 East, Chaves County, New Mexico (which is approximately 8 miles east of Roswell, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have said well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11255: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Charles W. Harle, operator, American Employers' Insurance Company, surety, and all other interested parties to appear and show cause why the Christopher Well No. 1 (API No. 30-005-60591), located 330 feet from the North line and 2310 feet from the East line (Unit B) of Section 32, Township 6 South, Range 26 East, Chaves County, New Mexico (which is approximately 15.5 miles west-northwest of Elkins, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have said well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11256: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Otis H. Sanders, and all other interested parties to appear and show cause why the Thigpen, et al Well No. 1-Y (API No. 30-015-22933), located 1800 feet from the North line and 1980 feet from the West line (Unit F) of Section 7, Township 16 South, Range 25 East, Eddy County, New Mexico (which is approximately 7.25 miles northwest by north of the Artesia, New Mexico Municipal Airport), should not be plugged and abandoned in accordance with a Division-approved plugging program. Additionally, should the operator fail to properly plug said well, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond covering this well and authorizing the Director of the Division to make demand upon Sunwest Bank at Roswell, New Mexico to pay to the Division so much of the funds of the certificate of deposit given as collateral for said bond as is necessary to compensate the costs of plugging said well.

**CASE 11257:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, A. L. Dawsey, and all other interested parties to appear and show cause why the El Vado Well No. 1 (API No. 30-039-24055), located 610 feet from the South line and 2000 feet from the West line (Unit N) of Section 11, Township 27 North, Range 1 East, as projected into the unsurveyed Tierra Amarilla Land Grant, Rio Arriba County, New Mexico (which is approximately 5.5 miles northwest of El Vado, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Additionally, should the operator fail to properly plug said well, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond covering this well and authorizing the Director of the Division to make demand upon the First Security Bank, formerly First National Bank in Albuquerque, New Mexico to pay to the Division so much of the funds of the certificate of deposit given as collateral for said bond as is necessary to compensate the costs of plugging said well.

**CASE 11258:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, A. L. Dawsey, and all other interested parties to appear and show cause why the El Vado Well No. 2 (API No. 30-039-24053), located 1770 feet from the South line and 970 feet from the East line (Unit D) of Section 11, Township 27 North, Range 1 East, as projected into the unsurveyed Tierra Amarilla Land Grant, Rio Arriba County, New Mexico (which is approximately 5 miles northwest of El Vado, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Additionally, should the operator fail to properly plug said well, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond covering this well and authorizing the Director of the Division to make demand upon the First Security Bank, formerly First National Bank in Albuquerque, New Mexico to pay to the Division so much of the funds of the certificate of deposit given as collateral for said bond as is necessary to compensate the costs of plugging said well.

**CASE 11259:** **Application of Chevron U.S.A. Inc. for an unorthodox gas well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval for its W. T. McComack Well No. 18, formerly the Central Drinkard Unit Well No. 428, (API No. 30-025-26447) to be recompleted to the Tubb Oil and Gas Pool at an unorthodox gas well location 210 feet from the North line and 2390 feet from the East line (Unit B) of Section 32, Township 21 South, Range 37 East, the NE/4 of said Section 32 is to be dedicated to said well to form a standard 160-acre gas spacing and proration unit for said pool. Said unit is located approximately one mile west of Eunice, New Mexico. **IN THE ABSENCE OF OBJECTION THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.**

**CASE 11260:** **Application of Santa Fe Energy Resources, Inc. for a unit agreement, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval of the Abe Unit Agreement for an area comprising 3,200 acres, more or less, of State and Fee lands in Sections 21, 22, 27, 28, and 29, Township 21 South, Range 33 East. Said unit area is centered approximately 24 miles West-Northwest of Eunice, New Mexico.

**CASE 11191:** (Continued from March 16, 1995, Examiner Hearing.)

**Application of Great Western Drilling Company for an unorthodox gas well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its existing Glenn Cleveland Well No. 1 located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 7, Township 15 South, Range 35 East, in order to test and recomplete this well in the Morrow formation. The E/2 of said Section 7 to be dedicated to said well to form a standard 320-acre gas spacing and proration unit. Said unit is located approximately 7 miles northwest of Lovington, New Mexico.

**CASE 11261:** **Application of Marathon Oil Company for an additional high angle/horizontal wellbore and to amend Division Order No. R-10082-A, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks to amend Division Order No. R-10082-A to authorize the applicant to utilize the existing J. M. Denton Well No. 5 located in Unit "N" of Section 11, Township 15 South, Range 37 East, by kicking-off from vertical, build angle to approximately 90 degrees with a short-radius curve and continue drilling a horizontal drainhole within its "high angle/horizontal directional drilling project" in the Denton-Devonian Pool, currently comprising the SW/4, N/2 SE/4 and SE/4 SE/4 of said Section 11. Applicant further seeks the designation of a target window for said well such that the horizontal or producing portion of said wellbore shall be no closer than 330 feet to the outer boundary of said project area, the creation and formation of an oversized and irregularly shaped spacing and proration unit to accommodate said wellbore, and the assignment of a special oil allowable for such non-standard oil proration unit. Said project area is located approximately 4.5 miles south-southeast of Prairieview, New Mexico.

**CASE 11262:** **Application of Texaco Exploration and Production, Inc. for special pool rules, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order promulgating special rules and regulations for the South Sand Dunes-Bone Spring Pool including a provision for a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil. Said pool currently comprises portions of Sections 29, 30, 31, and 32, of Township 23 South, Range 32 East, and is located on the Lea/Eddy County line approximately 2 miles north of State Highway No. 128.

**CASE 11224: Continued from March 16, 1995, Examiner Hearing.**

**Application of Southeastern Petroleum, Inc. for compulsory pooling, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Strawn formation underlying the following described acreage in Section 28, Township 16 South, Range 37 East, and in the following manner: the W/2 SW/4 thereby forming a standard 80-acre oil spacing and proration unit for any and all pools developed on 80-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated West Knowles-Drinkard Pool and the Undesignated West Casey-Strawn Pool; and the SW/4 SW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Lovington-Grayburg San Andres Pool, Undesignated Lovington-Paddock Pool, Lovington-Abo Pool, and the Undesignated East Lovington-Upper Pennsylvanian (Cisco and Canyon formations) Pool. Said units are to be dedicated to the plugged and abandoned Shell Oil Company Home Stake Well No. 1 (T.D. - 12,125 feet), located at a standard oil well location 660 feet from the South and West lines (Unit M) of said Section 28. Also to be considered will be the costs of re-entering and the recompletion of said well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for the risk involved in the re-entry of said well. The location of this wellbore is approximately 7 miles north-northwest of Humble City, New Mexico.

**CASE 11263: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation underlying the NE/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Ross "EG" Federal Com Well No. 14 to be drilled at a standard location in the NW/4 NE/4 (Unit B) of said Section 21. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and unit, and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.25 miles west by north of Lakewood, New Mexico.

**CASE 11232: (Contined from April 6, 1995, Examiner Hearing.)**

**Application of Nearburg Exploration Company for compulsory pooling, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation underlying the NE/4 of Section 24, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Fairchild "24" Well No. 2 to be drilled at a standard location in the NW/4 NE/4 (Unit B) of said Section 24. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Nearburg Producing Company as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 4 miles west-northwest of Lakewood, New Mexico.

**CASE 11264: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation underlying the NE/4 of Section 24, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Fairchild "24" Well No. 2 to be drilled at a standard location in the NW/4 NE/4 (Unit B) of said Section 24. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and unit, and a charge for risk involved in drilling and completing said well. Said unit is located approximately 4 miles west-northwest of Lakewood, New Mexico.

**CASE 11265: Application of Nearburg Exploration Company for compulsory pooling, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation underlying the NE/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Alto "21" Well No. 1 to be drilled at a standard location in the NW/4 NE/4 (Unit B) of said Section 21. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Nearburg Producing Company as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.25 miles west by north of Lakewood, New Mexico.

- CASE 11266:** Application of Nearburg Exploration Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, underlying the following described acreage in Section 32, Township 17 South, Range 27 East, and in the following manner: the N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Jennings Spring-Wolfcamp Gas Pool, Undesignated Logan Draw-Cisco/Canyon Gas Pool, Undesignated Red Lake-Pennsylvanian Gas Pool, Undesignated West Logan Draw-Morrow Gas Pool, and Undesignated Logan Draw-Morrow Gas Pool; the NE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; and the NW/4 NE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Red Lake Queen-Grayburg-San Andres Pool, Undesignated Empire-Abo Pool, and Undesignated Chalk Bluff-Wolfcamp Pool. Said units are to be dedicated to a single well to be drilled and completed at a standard location in Unit "B" of said Section 32. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Nearburg Producing Company as the operator of the well, and a charge for risk involved in drilling said well. Said well location is approximately 2.5 miles south of Riverside, New Mexico.
- CASE 11267:** Application of Arch Petroleum Inc. for special pool rules, Lea County, New Mexic. Applicant, in the above-styled cause, seeks an order promulgating special rules and regulations for the Justis-Fusselman Pool including a provision for a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil. Said pool currently comprises all or portions of Sections 13, 24, 25, and 36, of Township 25 South, Range 37 East, and portions of Sections 30 and 31, of Township 25 South, Range 38 East and is located approximately 5 miles east of Jal, New Mexico.
- CASE 11268:** Application of Mack Energy Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Drinkard formation, underlying the NE/4 NW/4 (Unit C) of Section 27, Township 16 South, Range 38 East, to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Garrett-San Andres Pool, Undesignated Garrett-Drinkard Pool, and Undesignated East Garrett-Drinkard Pool. Said unit is to be dedicated to either the plugged and abandoned Texas Oil Company Gotlieb Ertel Well No. 1, located at a standard oil well location 660 feet from the North line and 1980 feet, more or less, from the West line of said Section 27, in which the applicant proposes to re-enter, OR IN THE ALTERNATIVE, to a new well to be drilled at a standard oil well location thereon. Also to be considered will be the costs of re-entering and the recompletion of said plugged well or drilling and completing a new well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the unit and subsequent well, and a charge for the risk involved in the re-entry of said plugged well or in drilling a new well. Said unit is located approximately 4 miles north of Knowles, New Mexico.
- CASE 11269:** Application of Amerada Hess Corporation for pool creation, the promulgation of special pool rules, assignment of an appropriate oil allowable, and for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Ellenburger formation underlying all of Section 5, Township 23 South, Range 34 East (being approximately 20.5 miles west-southwest of Eunice, New Mexico) and for the promulgation of special rules and regulations therefor including provisions for 640-acre oil spacing and proration units, designated well location requirements, and for the assignment of an appropriate poolwide depth bracket oil allowable. Applicant further seeks approval of an unorthodox oil well location in this newly created Ellenburger oil pool for its North Bell Federal Well No. 2 (API No. 30-025-32672), located 1100 feet from the South line and 1500 feet from the West line (Unit N) of said Section 5, all of said Section 5 to be dedicated to said well thereby forming a 640.28-acre oil spacing and proration unit.
- CASE 11270:** Application of Maralo, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying Lots 3 and 4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of Section 3, Township 19 South, Range 28 East, thereby forming a 320.90-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Millman-Wolfcamp Gas Pool, Undesignated Millman-Atoka Gas Pool, Undesignated North Turkey Track-Atoka Gas Pool, and Undesignated Millman-Morrow Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard gas well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and unit, and a charge for risk involved in drilling and completing said well. Said unit is located approximately 3 miles east-southeast of the old Illinois Oil Camp.

**CASE 11271: Application of Medallion Production Company for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Atoka formation, underlying the following described acreage in Section 31, Township 16 South, Range 35 East, and in the following manner: the E/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated North Vacuum Atoka-Morrow Gas Pool and Undesignated Shoe Bar-Atoka Gas Pool; the SE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; the W/2 SE/4 to form a standard 80-acre oil spacing and proration unit for any and all pools developed on 80-acre spacing within said vertical extent which presently includes only the Undesignated North Vacuum-Abo Pool; and the SW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Vacuum-Grayburg San Andres Pool and Undesignated Northeast Vacuum-Wolfcamp Pool. Said units are to be dedicated to a single well to be drilled 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 31 being a standard well location for 40, 80, and 160-acre spacing and proration units but an unorthodox gas well location for a 320-acre spacing unit. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well, and a charge for risk involved in drilling said well. Said well location is approximately 5 miles north of Buckeye, New Mexico.

**CASE 11227: Continued from March 16, 1995, Examiner Hearing.**

**Application of PermOK Oil, Inc. for a non-standard gas proration unit, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval to establish a non-standard 80-acre gas spacing and proration unit in the Undesignated Rhodes Yates-Seven Rivers Gas Pool comprising the N/2 NW/4 of Section 23, Township 26 South, Range 37 East, being approximately 6.5 miles southeast by south of Jal, New Mexico. Said unit is to be dedicated to its proposed Leonard Brothers "A" Federal Well No. 2 to be drilled at a standard gas well location 660 feet from the North and West lines (Unit D) of said Section 23.

**CASE 11194: (Continued from April 6, 1995, Examiner Hearing.)**

**Application of Charles B. Gillespie, Jr. for a pressure maintenance project and qualification for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act", Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval to institute a pressure maintenance project in the designated and Undesignated West Lovington-Strawn Pool within its proposed West Lovington Strawn Unit Area (being the subject of Case No. 11195) located in portions of Townships 15 and 16 South, Ranges 35 and 36 East, by the injection of natural gas through the perforated interval from approximately 11,424 feet to 11,434 feet into its existing Speight Fee Well No. 1 located 660 feet from the North line and 2310 feet from the West line (Lot 3/Unit C) of Section 1, Township 16 South, Range 35 East. Applicant further seeks to qualify this project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Law 1992, Chapter 38, Sections 1 through 5). Said project is located approximately 4.5 miles west-northwest of Lovington, New Mexico.

**CASE 11195: (Continued from April 6, 1995, Examiner Hearing.)**

**Application of Charles B. Gillespie, Jr. for statutory unitization, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of establishing a pressure maintenance project, all mineral interests in the designated and Undesignated West Lovington-Strawn Pool underlying its proposed West Lovington Strawn Unit Area encompassing some 1457.05-acres, more or less, of Federal, State, and Fee lands comprising all of Section 33 and the W/2 of Section 34 of Township 15 South, Range 35 East, a portion of Section 1, Township 16 South, Range 35 East, and a portion of Section 6, Township 16 South, Range 36 East. Among the matters to be considered at the hearing, pursuant to the "New Mexico Statutory Unitization Act", Sections 70-7-1 et. seq., NMSA, will be the necessity of unit operations; the designation of a unit operator; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable and equitable allocation of production and costs of production, including capital investments, to each of the various tracts in the unit area; the determination of credits and changes to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to unit voting procedures, selection, removal or substitution of the unit operator, and time of commencement and termination of unit operations. Said unit area is centered approximately 4.5 miles West-Northwest of Lovington, New Mexico.

**CASE 11243:** (Continued from April 6, 1995, Examiner Hearing.)

**Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the following described acreage in Section 12, Township 29 North, Range 13 West, and in the following manner: the W/2 thereby forming a standard 320-acre gas spacing and proration unit for any and all pools developed on 320-acre spacing within said vertical extent which presently includes only the Basin-Fruitland Coal (Gas) Pool; and the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated West Kutz-Fruitland Sand Pool and Undesignated West Kutz-Pictured Cliffs Pool. Said units are to be dedicated to a single well (the proposed Burnham Gas Com "B" Well No. 1) to be drilled at a standard gas well location in the SW/4 of said Section 12. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

**CASE 11244:** (Continued from April 6, 1995, Examiner Hearing.)

**Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the NW/4 of Section 12, Township 29 North, Range 13 West, thereby forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated West Kutz-Fruitland Sand Pool and Undesignated West Kutz-Pictured Cliffs Pool. Said unit is to be dedicated to a single well (the proposed Burnham Gas Com "A" Well No. 1) to be drilled at a standard gas well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

**CASE 11247:** (Continued from April 6, 1995, Examiner Hearing.)

**Application of Richardson Operating Co. for compulsory pooling, downhole commingling and an unorthodox gas well location, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated West Kutz-Pictured Cliffs Pool underlying the SW/4 of Section 12, Township 29 North, Range 13 West, and all mineral interests in the Basin-Fruitland Coal (Gas) Pool, underlying the W/2 of said Section 12, thereby forming a standard 160-acre and 320-acre gas spacing and proration unit for both pools, respectively. Said units are to be dedicated to a single well, the proposed ROPCO Federal "12" Well No. 3, which is to be drilled at a potential unorthodox gas well location within 200 feet of a point 870 feet from the South line and 1180 feet from the West line of said Section 12. Applicant further seeks authorization to commingle Undesignated West Kutz-Pictured Cliffs Pool production with gas production from the Basin-Fruitland Coal (Gas) Pool within the wellbore of said well. Also to be considered will be the cost 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, designation of applicant as the operator of the well. Said well is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

**CASE 11245:** (Continued from April 6, 1995, Examiner Hearing.)

**Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated West Kutz-Pictured Cliffs Pool underlying the NE/4 of Section 14, Township 29 North, Range 13 West, thereby forming a standard 160-acre gas spacing and proration unit. Said unit is to be dedicated to the Roberts Well No. 1 to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said area is located approximately 1.5 miles east of Farmington, New Mexico.

**CASE 11248:** (Continued from April 6, 1995, Examiner Hearing.)

**Application of Bahlburg Exploration, Inc. for directional drilling and unorthodox oil well locations, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks authority to re-enter the plugged and abandoned Manzano Oil Corporation Kim Harris Well No. 2, located 600 feet from the North line and 797 feet from the East line (Unit A) of Section 12, Township 16 South, Range 36 East, wherein the applicant proposes to kick-off from the vertical portion of the wellbore in a northerly direction to within 50 feet of the following targeted locations (both of which are unorthodox):

- in the Northeast Lovington-Wolfcamp Pool, 300 feet from the North line and 797 feet from the East line of said Section 12, the NE/4 NE/4 to be dedicated to this interval to form a standard 40-acre oil proration unit; and,
- in the Undesignated Northeast Lovington-Pennsylvanian Pool, 50 feet from the North line and 797 feet from the East line of said Section 12, the N/2 NE/4 to be dedicated to form a standard 80-acre oil proration unit.

Said well is located approximately 3 miles east of Lovington, New Mexico.

**CASE 11272:** In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order creating and extending certain pools in Rio Arriba, Sandoval, and San Juan Counties, New Mexico.

- (a) CREATE a new pool in Rio Arriba County, New Mexico, classified as an oil pool for Mancos production and designated as the Dike Rock-Mancos Oil Pool. The discovery well is the Enre Corporation Leavry Canyon 18 I Well No. 1 located in Unit I of Section 18, Township 27 North, Range 2 West, NMPM. Said pool would comprise:

TOWNSHIP 27 NORTH, RANGE 2 WEST, NMPM  
Section 18: NE/4 SE/4

(Paragraph (b) will be dismissed.)

- (b) CREATE a new pool in Rio Arriba County, New Mexico, classified as an oil pool for Gallup production and designated as the Ensenada-Gallup Oil Pool. The discovery well is the Meridian Oil Inc. Klein Well No. 28E located in Unit C of Section 33, Township 26 North, Range 6 West, NMPM. Said pool would comprise:

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM  
Section 33: NW/4

- (c) CREATE a new pool in San Juan County, New Mexico, classified as an oil pool for Gallup production and designated as the Greek-Gallup Oil Pool. The discovery well is the Dugan Production Corporation Pole's Paradise Well No. 2 located in Unit K of Section 9, Township 30 North, Range 14 West, NMPM. Said pool would comprise:

TOWNSHIP 30 NORTH, RANGE 14 WEST, NMPM  
Section 9: NW/4 SW/4

- (d) EXTEND the BS Mesa-Gallup Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM  
Section 2: SW/4

- (e) EXTEND the Ballard-Pictured Cliffs Pool in Rio Arriba, San Juan, and Sandoval Counties, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM  
Section 7: SW/4  
Section 18: W/2

- (f) EXTEND the Bisti-Chacra Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 22 NORTH, RANGE 9 WEST, NMPM  
Section 1: N/2 and SW/4

TOWNSHIP 23 NORTH, RANGE 9 WEST, NMPM  
Section 36: SW/4

- (g) EXTEND the Blanco-Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM

Section 19: N/2  
Section 20: SW/4  
Section 29: W/2  
Section 32: All

- (h) EXTEND the Cha Cha-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM

Section 23: N/2 SW/4

- (i) EXTEND the Fulcher Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM

Section 27: SE/4  
Section 35: SE/4

- (j) EXTEND the West Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM

Section 11: SE/4  
Section 14: NE/4

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 20: E/2  
Section 21: W/2

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM

Section 12: NE/4

- (k) EXTEND the Otero-Chacra Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM

Section 13: SW/4  
Section 24: W/2  
Section 25: NW/4

- (l) EXTEND the West Puerto Chiquito-Mancos Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 2 WEST, NMPM

Sections 1 and 2: All

- (m) EXTEND the Rusty-Chacra Pool in Sandoval County, New Mexico, to include therein:

TOWNSHIP 22 NORTH, RANGE 7 WEST, NMPM

Section 5: SW/4  
Section 6: S/2 and NE/4  
Section 7: NE/4  
Sections 8 and 9: All  
Section 15: N/2 and SW/4  
Section 16: All  
Section 17: N/2  
Section 21: NW/4  
Section 22: NW/4

(n) EXTEND the Tapacito-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 3 WEST, NMPM  
Section 19: SE/4

TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM  
Section 15: SW/4  
Section 22: S/2 and NW/4  
Section 23: S/2  
Section 26: N/2  
Section 27: N/2

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DOCKET NO. 12-95

**DOCKET: COMMISSION HEARING - THURSDAY - APRIL 27, 1995**  
**9:00 A.M. - 2040 SOUTH PACHECO**  
**SANTA FE, NEW MEXICO**

**CASE 11273:** In the matter of the application of the Oil Conservation Division on its own motion for an order adopting rules to implement the recently passed Production Restoration Incentive and Workover Severance Tax Exemption Act (HB 65). The New Mexico Oil Conservation Division seeks an order adopting rules setting forth the procedures to implement the provisions of this Act providing for the qualification of projects and the certification for the "Production Restoration or Workover Tax Rate". Evidence and testimony will not be taken at this time but a Committee will be appointed to produce a preliminary draft of rules for the Commission to consider at a later date.

**CASE 11274:** **Application of Meridian Oil Inc. to establish a statewide administrative procedure for approval of high angle/horizontal directional drilling projects in the State of New Mexico.** Applicant, in the above-styled cause, seeks the establishment of a new rule or an amended Rule 111 of the Oil Conservation Division Rules and Regulations establishing a statewide administrative procedure for approval of high angle/horizontal directional drilling projects in the State of New Mexico without the necessity of holding a hearing.

**CASE 10280:** **De Novo**

In the matter of the Case No. 10280 being reopened pursuant to the provisions of Division Order Nos. R-9594 and R-9594-A, which orders promulgated temporary special rules and regulations for the Milnesand-Abo Pool in Lea and Roosevelt Counties, New Mexico, including a provision for 80-acre spacing. Operators in the subject pool may appear and show cause why said special pool rules should not be rescinded and why the Milnesand-Abo Pool should not be developed on other than 40-acre spacing and proration units. Upon the application of Petroleum Production Management, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.

**SUPPLEMENT TO DOCKET NO. 11-95  
EXAMINER HEARING**

**CASE 11213: (Continued from April 6, 1995, Examiner Hearing.)**

**Application of Maralo, Inc. for compulsory pooling and an unorthodox oil well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Devonian formation, underlying the NW/4 NE/4 (Unit B) of Section 20, Township 13 South, Range 38 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at an unorthodox oil well location 350 feet from the North line and 1500 feet from the East line of said Section 20. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.25 miles southeast by south of Gladiola, New Mexico.

**CASE 11246: (Continued from April 6, 1995, Examiner Hearing.)**

**Application of Richardson Operating Company for compulsory pooling and an unorthodox gas well location, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated West Kutz-Pictured Cliffs Pool underlying the NW/4 of Section 12, Township 29 North, Range 13 West, thereby forming a standard 160-acre gas spacing and proration unit for said pool. Said unit is to be dedicated to a single well (the proposed ROPCO Fee "12" Well No. 4) to be drilled at a non-standard gas well location within 200 feet of a point 147 feet from the North line and 1500 feet from the West line of said Section 12. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

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

**RECEIVED**

APR 17 1995

Oil Conservation Division

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 11247

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

CASE NO. 11243

APPLICATION OF AMOCO PRODUCTION COMPANY  
FOR COMPULSORY POOLING, SAN JUAN COUNTY, NEW MEXICO

**CONSOLIDATED  
PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by RICHARDSON  
OPERATING CO., as required by the Oil Conservation Division.

**APPEARANCE OF PARTIES**

APPLICANT (Case 11247)

ATTORNEY

Richardson Operating Co.  
1700 Lincoln, Suite 1700  
Denver, Colorado 80203  
(303) 830-8000  
attn: Cathy Colby

W. Thomas Kellahin  
KELLAHIN AND KELLAHIN  
P.O. Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285

APPLICANT (Case 11243)

Amoco Production Company

ATTORNEY

William F. Carr, Esq.  
P. O. Box 2208  
Santa Fe, New Mexico 87501  
(505) 988-4421

### STATEMENT OF RICHARDSON OPERATING COMPANY

Richardson has a working interest ownership in the oil and gas minerals underlying the SW/4 and the W/2 of Section 12, T29N, R13W, NMPM, San Juan County, New Mexico.

In order to minimize surface disturbance within the SW/4 of said Section 12, Richardson seeks approval to locate its ROPCO Federal 12 Well No. 3 at a point within 200 feet radius of the Amoco Burnham Gas Com Well No. 1, which is an existing Dakota producing well located 870 feet FSL and 1180 feet FWL of said Section 12.

Richardson has proposed to the other working interest owners that this well be drilled and completed as a "downhole commingled completion" for potential production from the Basin Fruitland Coal Gas Pool with any Pictured Cliffs production to be dedicated respectively to a 320-acre coal-gas spacing and proration unit consisting of the W/2 of Section 12 and to a 160-acre gas spacing and proration unit consisting of the SW/4 of said Section for production from either the Fulcher Kutz-Pictured Cliffs Gas Pool or the West Kutz-Pictured Cliffs Gas Pool.

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. Therefore, 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.

PROPOSED EVIDENCE

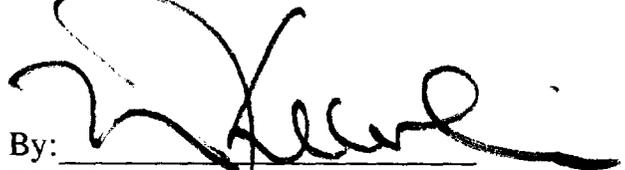
APPLICANT:

WITNESSES	EST. TIME	EXHIBITS
Cathy Colby (landman)	20 min.	@ 8 exhibits
David B. Richardson (geologist)	20 Min.	@ 3 exhibits
Dana Delventhal (petroleum engineer)	30 Min.	@ 6 exhibits
Rod Markham	30 Min.	@ 6 exhibits

**PROCEDURAL MATTERS**

None anticipated at this time.

KELLAHIN AND KELLAHIN



By: \_\_\_\_\_  
W. Thomas Kellahin  
P.O. Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285

**DOCKET: EXAMINER HEARING - THURSDAY - APRIL 6, 1995****8:15 A.M. - 2040 SOUTH PACHECO****SANTA FE, NEW MEXICO**

Dockets Nos. 11-95 and 12-95 are tentatively set for April 20, 1995 and May 4, 1995. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

**CASE 11202:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Billy R. Wilson - Robinson Brothers Drilling (Company), Inc., operator, The Travelers Indemnity Company, surety, and all other interested parties to appear and show cause why the State "A" Well No. 1 (API No. 30-015-02331), located 660 feet from the South and West lines (Unit M) of Section 36, Township 19 South, Range 28 East, Eddy County, New Mexico (which is approximately 8 miles southeast by south of the old Illinois Production Camp), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

**CASE 11228:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Rapid Company, Inc., and all other interested parties to appear and show cause why the Copelan State Well No. 1 (API No. 30-005-60372), located 330 feet from the North line and 1650 feet from the West line (Unit C) and the Copelan State Well No. 2, located 660 feet from the North and East lines (Unit A), both in Section 31, Township 10 South, Range 27 East, Chaves County, New Mexico (which is approximately 8 miles northeast of the Bottomless Lake State Park), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said wells, the Division should then be authorized to take such action as is deemed necessary to have both wells properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

**CASE 11229:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Phoenix Resources Company, and all other interested parties to appear and show cause why the Powell Well No. 1 (API No. 30-005-60668), located 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 23, Township 7 South, Range 28 East, Chaves County, New Mexico (which is approximately 1/2 mile west of Elkins, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the owner/operator to pay the costs of such plugging.

**CASE 11230:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Leonard Oil Company, and all other interested parties to appear and show cause why the State B-7717 Well No. 1 located approximately 1980 feet from the South line and 660 feet from the East line (Unit H) of Section 2, Township 19 South, Range 29 East, Eddy County, New Mexico (which is approximately 9.5 miles south-southwest of Loco Hills, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the owner/operator to pay the costs of such plugging.

**CASE 11226:** Continued from March 16, 1995, Examiner Hearing.

**Application of Santa Fe Energy Resources, Inc. for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Devonian formation underlying the following described acreage in Section 29, Township 22 South, Range 34 East, and in the following manner: the entire section to form a standard 640-acre gas spacing and proration unit for any and all pools developed on 640-acre spacing within said vertical extent which presently includes only the Undesignated North Bell Lake-Devonian Gas Pool; and the N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Antelope Ridge-Atoka Gas Pool. Said units are to be dedicated to a single well to be drilled at an unorthodox gas well location 1330 feet from the North and East lines (Unit G) of said Section 29. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 20 miles west by south of Eunice, New Mexico.

**CASE 11231:** **Application of Enron Oil & Gas Company for compulsory pooling, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation, underlying the NW/4 NW/4 (Unit D) of Section 20, Township 25 South, Range 35 East, to form a standard 40-acre oil spacing and proration unit. The applicant proposes to re-enter the Southland Royalty Company Gulf Federal Well No. 1, located at a standard oil well location 660 feet from the North and West lines of said Section 20. Also to be considered will be the costs of re-entering and the recompletion of said well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for the risk involved in the re-entry of said well. Said unit is located approximately 12 miles west of Jal, New Mexico.

**CASE 11232:** Application of Nearburg Exploration Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation underlying the NE/4 of Section 24, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Fairchild "24" Well No. 2 to be drilled at a standard location in the NW/4 NE/4 (Unit B) of said Section 24. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Nearburg Producing Company as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 4 miles west-northwest of Lakewood, New Mexico.

**CASE 11233:** Application of Nearburg Exploration Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation underlying the SW/4 of Section 13, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Fairchild "13" Well No. 2 to be drilled at a standard location in the SE/4 SW/4 (Unit N) of said Section 13. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Nearburg Producing Company as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 4.5 miles west-northwest of Lakewood, New Mexico.

**CASE 11222:** Continued from March 16, 1995, Examiner Hearing.

Application of Yates Petroleum Corporation for certification of a positive production response pursuant to New Mexico's "Enhanced Oil Recovery Act", Lea County, New Mexico. Applicant, in the above-styled cause, seeks certification, pursuant to the Rules and Procedures for Qualification of Enhanced Oil Recovery Projects and Certification for the Recovered Oil Tax Rate, as promulgated by Division Order No. R-9708, for a positive production response on its Sanmal Queen Unit Waterflood Project, which qualified for the recovered oil tax rate under New Mexico's "Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5) by Division Order No. R-9961. Said project is located in portions of Sections 1 and 12, Township 17 South, Range 33 East, which is located approximately 3 miles north of Buckeye, New Mexico.

**CASE 11223:** Continued from March 16, 1995, Examiner Hearing.

Application of Yates Drilling Company for certification of a positive production response pursuant to New Mexico's "Enhanced Oil Recovery Act", Chaves County, New Mexico. Applicant, in the above-styled cause, seeks certification, pursuant to the Rules and Procedures for Qualification of Enhanced Oil Recovery Projects and Certification for the Recovered Oil Tax Rate, as promulgated by Division Order No. R-9708, for a positive production response on the "expanded area" of the Cactus Queen (Voluntary) Unit Waterflood Project comprising the SW/4 NE/4, S/2 NW/4, SW/4, and NW/4 SE/4 of Section 34, Township 12 South, Range 31 East, which qualified for the recovered oil tax rate under New Mexico's "Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5) by Division Order No. R-9075-B-1. Said area is located approximately 12 miles southwest by west of Caprock, New Mexico.

**CASE 11234:** Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation underlying the SW/4 of Section 13, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 4.5 miles west-northwest of Lakewood, New Mexico.

**CASE 11235:** Application of Yates Petroleum Corporation for an unorthodox oil well location and simultaneous dedication, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location in the North Dagger Draw-Upper Pennsylvanian Pool to be drilled 330 feet from the South line and 1980 feet from the West line (Unit N) of Section 29, Township 19 South, Range 25 East. Said well is to be included within the existing standard 160-acre oil spacing and proration unit comprising the SW/4 of said Section 29 and its production to be simultaneously dedicated with the existing Boyd "X" State Com Well No. 4 located in Unit "K", the Boyd "X" State Com Well No. 2 in Unit "L", and the Aspden "AOH" Federal Com Well No. 1 in Unit "M". Said unit is located approximately 8 miles west of Lakewood, New Mexico.

**CASE 11236:** **Application of Yates Petroleum Corporation for a pressure maintenance project, Chaves County, New Mexico.** Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project on a portion of its Quincy "AMQ" State lease underlying the NW/4 of Section 12, Township 8 South, Range 27 East, by the injection of water into the Southeast Acme-San Andres Pool through the perforated interval from approximately 2162 feet to 2182 feet in its Quincy "AMQ" State Well No. 8, located 2310 feet from the North and West lines (Unit F) of said Section 12. This area is located approximately 7 miles southwest by west of Elkins, New Mexico.

**CASE 11198:** (Continued from March 2, 1995, Examiner Hearing.)

**Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation, underlying the NW/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to its Hooper "AMP" Well No. 2, which has been drilled at a standard location 1980 feet from the North line and 660 feet from the West line (Unit E) of said Section 21. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.5 miles west by north of Lakewood, New Mexico.

**CASE 11199:** (Continued from March 2, 1995, Examiner Hearing.)

**Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation, underlying the SW/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to its Hooper "AMP" Well No. 1, which has been drilled at a standard location 820 feet from the South line and 660 feet from the West line (Unit M) of said Section 21. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.5 miles west by north of Lakewood, New Mexico.

**CASE 11200:** (Continued from March 2, 1995, Examiner Hearing.)

**Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation, underlying the SE/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the Undesignated North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to its Patriot "AIZ" Well No. 5, which has been drilled at a standard location 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 21. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.25 miles west by north of Lakewood, New Mexico.

**CASE 11237:** **Application of Bonneville Fuels Corporation for an unorthodox oil well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location in the Undesignated South Humble City-Strawn Pool to be drilled 2030 feet from the South line and 2300 feet from the West line (Unit K) of Section 14, Township 17 South, Range 37 East. The E/2 SW/4 of said Section 14 is to be dedicated to said well forming a standard 80-acre oil spacing and proration unit for said pool. Said unit is located approximately 5 miles north of the Hobbs Industrial Air Park.

**CASE 11238:** **Application of Marbob Energy Corporation for an unorthodox oil well location, Chaves County, New Mexico.** Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location in the South Lone Wolf-Devonian Pool for its White Fang Federal Well No. 1 to be drilled 1353 feet from the North line and 1914 feet from the West line (Unit F) of Section 33, Township 13 South, Range 29 East. The SE/4 NW/4 of said Section 33 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit for said pool. Said unit is located approximately 17 miles east by north of Hagerman, New Mexico.

**CASE 11239:** Application of Marbob Energy Corporation for an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval to drill its Havasu Federal Well No. 1 to test the Devonian formation, at an unorthodox oil well location of 2588 feet from the South line and 2309 feet from the East line (Unit J) in Section 11, Township 13 South, Range 27 East. The NW/4 SE/4 of said Section 11 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit. Said unit is located approximately 9.5 miles east of Dexter, New Mexico.

**CASE 11213:** (Continued from March 2, 1995, Examiner Hearing.)

**Application of Maralo, Inc. for compulsory pooling and an unorthodox oil well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Devonian formation, underlying the NW/4 NE/4 (Unit B) of Section 20, Township 13 South, Range 38 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at an unorthodox oil well location 350 feet from the North line and 1500 feet from the East line of said Section 20. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.25 miles southeast by south of Gladiola, New Mexico.

**CASE 11240:** Application of Conoco Inc. to reopen Case Nos. 10471 and 10560 to vacate the compulsory pooling provisions of Order No. R-9673-A and for the creation of two non-standard 80-acre spacing and proration units including the assignment of appropriate allowables, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to reopen Case Nos. 10471 and 1560, pursuant to the provisions of Order No. R-9673-A, to vacate the compulsory pooling provision thereof and to create two non-standard 80-acre spacing and proration units consisting of the N/2 NE/4 and the S/2 NE/4 of Section 17, Township 19 South, Range 25 East, for production from the North Dagger Draw-Upper Pennsylvanian Pool, including the assignment of appropriate allowables, designation of operators and other matters. These units are located 8 miles west by north of Lakewood, New Mexico.

**CASE 11241:** Application of Conoco, Inc. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Julie Com Well No. 3 to be drilled 660 feet from the North and East lines (Unit A) of Section 17, Township 19 South, Range 25 East, and completed in both the North Dagger Draw-Upper Pennsylvanian Pool and the Undesignated Boyd-Morrow Gas Pool. Said well location is standard for the Upper Pennsylvanian interval and unorthodox for the Morrow formation. Further, the N/2 of said Section 17 is to be dedicated to said well to form a standard 320-acre gas spacing and proration unit in the Boyd-Morrow Gas Pool. Said unit is located approximately 8 miles west by north of Lakewood, New Mexico.

**CASE 11242:** Application of Conoco, Inc. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Savannah Well No. 1 to be drilled 660 feet from the North and East lines (Unit A) of Section 32, Township 19 South, Range 25 East, and completed in both the Undesignated North Dagger Draw-Upper Pennsylvanian Pool and the Undesignated Cemetery-Morrow Gas Pool. Said well location is standard for the Upper Pennsylvanian interval and unorthodox for the Morrow formation. Further, the N/2 of said Section 32 is to be dedicated to said well to form a standard 320-acre gas spacing and proration unit in the Cemetery-Morrow Gas Pool. Said unit is located approximately 8 miles west of Lakewood, New Mexico.

**CASE 11219:** Continued from March 16, 1995, Examiner Hearing.

**Application of Conoco, Inc. for an unorthodox gas well location, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval for its Preston "35-N" Federal Com Well No. 15 to be drilled 860 feet from the North line and 710 feet from the West line (Unit D) in Section 35, Township 20 South, Range 24 East, and completed in both the South Dagger Draw-Upper Pennsylvanian Associated Pool and Cemetery-Morrow Gas Pool. Said well location is standard for the Upper Pennsylvanian interval and unorthodox for the Morrow formation. Further, said well is to be a replacement gas well in the existing standard 320-acre gas spacing and proration unit in the Cemetery-Morrow Gas Pool currently dedicated to its Preston "35-N" Federal Well No. 6, located in Unit "A" of said Section 35. Said unit is located approximately 9 miles west-southwest of Seven Rivers, New Mexico.

**CASE 11218:** Continued from March 16, 1995, Examiner Hearing.

**Application of Naumann Oil & Gas, Inc. for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 34, Township 17 South, Range 29 East, and in the following manner: the S/2 thereby forming a standard 320-acre gas spacing and proration unit for any and all pools developed on 320-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Grayburg-Strawn Gas Pool, Undesignated-Atoka Gas Pool, Undesignated South Empire-Morrow Gas Pool and the Undesignated Grayburg-Morrow Gas Pool; and the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent. Said units are to be dedicated to a single well to be drilled at an unorthodox gas well location 1980 feet from the South line and 1330 feet from the West line (Unit K) of said Section 34. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5 miles west-southwest of Loco Hills, New Mexico.

**CASE 11209:** (Reopened)

**Application of Amoco Production Company for surface commingling, San Juan County, New Mexico.** In the matter of Case 11209 being reopened by Amoco Production Company for authorization to surface commingle Blanco-Mesaverde Pool gas production with South Blanco-Pictured Cliffs Pool gas production from its Jones "A-LS" Well No. 1A (API No. 30-045-22747), located 1460 feet from the South line and 1750 feet from the East line (Lot 2/Unit J) of irregular Section 10, Township 28 North, Range 8 West. Said well is located approximately 10 miles east-southeast of Blanco, New Mexico. IN THE ABSENCE OF OBJECTION THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.

**CASE 11243:** **Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the following described acreage in Section 12, Township 29 North, Range 13 West, and in the following manner: the W/2 thereby forming a standard 320-acre gas spacing and proration unit for any and all pools developed on 320-acre spacing within said vertical extent which presently includes only the Basin-Fruitland Coal (Gas) Pool; and the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated West Kutz-Fruitland Sand Pool and Undesignated West Kutz-Pictured Cliffs Pool. Said units are to be dedicated to a single well (the proposed Burnham Gas Com "B" Well No. 1) to be drilled at a standard gas well location in the SW/4 of said Section 12. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

**CASE 11244:** **Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the NW/4 of Section 12, Township 29 North, Range 13 West, thereby forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated West Kutz-Fruitland Sand Pool and Undesignated West Kutz-Pictured Cliffs Pool. Said unit is to be dedicated to a single well (the proposed Burnham Gas Com "A" Well No. 1) to be drilled at a standard gas well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

**CASE 11245:** **Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated West Kutz-Pictured Cliffs Pool underlying the NE/4 of Section 14, Township 29 North, Range 13 West, thereby forming a standard 160-acre gas spacing and proration unit. Said unit is to be dedicated to the Roberts Well No. 1 to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said area is located approximately 1.5 miles east of Farmington, New Mexico.

**CASE 11246:** Application of Richardson Operating Company for compulsory pooling and an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated West Kutz-Pictured Cliffs Pool underlying the NW/4 of Section 12, Township 29 North, Range 13 West, thereby forming a standard 160-acre gas spacing and proration unit for said pool. Said unit is to be dedicated to a single well (the proposed ROPCO Fee "12" Well No. 4) to be drilled at a non-standard gas well location within 200 feet of a point 147 feet from the North line and 1500 feet from the West line of said Section 12. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

**CASE 11247:** Application of Richardson Operating Co. for compulsory pooling, downhole commingling and an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated West Kutz-Pictured Cliffs Pool underlying the SW/4 of Section 12, Township 29 North, Range 13 West, and all mineral interests in the Basin-Fruitland Coal (Gas) Pool, underlying the W/2 of said Section 12, thereby forming a standard 160-acre and 320-acre gas spacing and proration unit for both pools, respectively. Said units are to be dedicated to a single well, the proposed ROPCO Federal "12" Well No. 3, which is to be drilled at a potential unorthodox gas well location within 200 feet of a point 870 feet from the South line and 1180 feet from the West line of said Section 12. Applicant further seeks authorization to commingle Undesignated West Kutz-Pictured Cliffs Pool production with gas production from the Basin-Fruitland Coal (Gas) Pool within the wellbore of said well. Also to be considered will be the cost 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, designation of applicant as the operator of the well. Said well is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

**CASE 11148: (Reopened and Readvertised)**

**Application of Meridian Oil Inc. for downhole commingling and a non-standard gas proration unit, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks approval to downhole commingle conventional Aztec-Pictured Cliffs Pool gas production, which is currently dedicated to a non-standard 202.82-acre gas spacing and proration unit comprising Lots 2, 3 and 4, the S/2 SW/4 and the SW/4 SE/4, with gas production from the Basin-Fruitland Coal (Gas) Pool within the wellbore of its existing Zachry Well No. 1 located at a standard gas well location for both intervals 990 feet from the South line and 1650 feet from the West line (Unit N) of Irregular Section 12, Township 28 North, Range 10 West. All of said Section 12 is to be dedicated to the subject well in the Basin-Fruitland Coal Gas Pool forming a non-standard 270.11-acre gas spacing and proration unit. Said well is located approximately 8.5 miles southeast of Bloomfield, New Mexico. **In The Absence of Objection, This Application Will Be Taken Under Advisement.**

**CASE 11248:** Application of Bahlburg Exploration, Inc. for directional drilling and unorthodox oil well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter the plugged and abandoned Manzano Oil Corporation Kim Harris Well No. 2, located 600 feet from the North line and 797 feet from the East line (Unit A) of Section 12, Township 16 South, Range 36 East, wherein the applicant proposes to kick-off from the vertical portion of the wellbore in a northerly direction to within 50 feet of the following targeted locations (both of which are unorthodox):

- in the Northeast Lovington-Wolfcamp Pool, 300 feet from the North line and 797 feet from the East line of said Section 12, the NE/4 NE/4 to be dedicated to this interval to form a standard 40-acre oil proration unit; and,
- in the Undesignated Northeast Lovington-Pennsylvanian Pool, 50 feet from the North line and 797 feet from the East line of said Section 12, the N/2 NE/4 to be dedicated to form a standard 80-acre oil proration unit.

Said well is located approximately 3 miles east of Lovington, New Mexico.

**CASE 11099:** (Continued from March 2, 1995, Examiner Hearing.)

**Application of TARA-JON Corporation for compulsory pooling, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Drinkard formation underlying the NE/4 NW/4 (Unit C) of Section 27, Township 16 South, Range 38 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Garrett-San Andres Pool, Undesignated Garrett-Drinkard Pool, and Undesignated East Garrett-Drinkard Pool. Said pooled unit is to be dedicated to either the plugged and abandoned The Texas Company Gotlieb Ertal Well No. 1 (T.D. - 13,310 feet), located at a standard oil well location 660 feet from the North line and 1982 feet from the West line, more or less, of said Section 27 or, if said Gotlieb Ertal Well No. 1 is found not to be mechanically sound, to a new well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of re-entering and recompleting the old plugged and abandoned well and/or the costs of drilling and completing a new well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the unit and a charge for risk involved in re-entering the old plugged and abandoned well and/or the drilling of a new well. Said unit is located approximately 12 miles north of Hobbs, New Mexico.

**CASE 11194:** (Continued from March 2, 1995, Examiner Hearing.)

**Application of Charles B. Gillespie, Jr. for a pressure maintenance project and qualification for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act", Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval to institute a pressure maintenance project in the designated and Undesignated West Lovington-Strawn Pool within its proposed West Lovington Strawn Unit Area (being the subject of Case No. 11195) located in portions of Townships 15 and 16 South, Ranges 35 and 36 East, by the injection of natural gas through the perforated interval from approximately 11,424 feet to 11,434 feet into its existing Speight Fee Well No. 1 located 660 feet from the North line and 2310 feet from the West line (Lot 3/Unit C) of Section 1, Township 16 South, Range 35 East. Applicant further seeks to qualify this project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Law 1992, Chapter 38, Sections 1 through 5). Said project is located approximately 4.5 miles west-northwest of Lovington, New Mexico.

**CASE 11195:** (Continued from March 2, 1995, Examiner Hearing.)

**Application of Charles B. Gillespie, Jr. for statutory unitization, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of establishing a pressure maintenance project, all mineral interests in the designated and Undesignated West Lovington-Strawn Pool underlying its proposed West Lovington Strawn Unit Area encompassing some 1457.05-acres, more or less, of Federal, State, and Fee lands comprising all of Section 33 and the W/2 of Section 34 of Township 15 South, Range 35 East, a portion of Section 1, Township 16 South, Range 35 East, and a portion of Section 6, Township 16 South, Range 36 East. Among the matters to be considered at the hearing, pursuant to the "New Mexico Statutory Unitization Act", Sections 70-7-1 et. seq., NMSA, will be the necessity of unit operations; the designation of a unit operator; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable and equitable allocation of production and costs of production, including capital investments, to each of the various tracts in the unit area; the determination of credits and changes to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to unit voting procedures, selection, removal or substitution of the unit operator, and time of commencement and termination of unit operations. Said unit area is centered approximately 4.5 miles West-Northwest of Lovington, New Mexico.

**CASE 11249:** In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order creating, contracting vertical limits, and extending horizontal limits of certain pools in Lea County, New Mexico.

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the Cinta Roja-Delaware Pool. The discovery well is the Pogo Producing Company Antelope 5 Federal Well No. 1 located in Unit F of Section 5, Township 24 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 35 EAST, NMPM  
Section 5: NW/4

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Fairview Mills-Bone Spring Pool. The discovery well is the Enron Oil and Gas Company Fairview 14 Fee Well No. 1 located in Unit G of Section 14, Township 25 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM  
Section 14: NE/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the Salt Lake-Atoka Gas Pool. The discovery well is the TOCO LLC Hanson State Well No. 1 located in Unit N of Section 13, Township 20 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM  
Section 13: S/2

- (d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the South Salt Lake-Delaware Pool. The discovery well is the Strata Production Company Sam H. Snoddy Federal Well No. 1 located in Unit A of Section 26, Township 20 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM  
Section 26: NE/4

- (e) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Salt Lake-Morrow Gas Pool. The discovery well is the TOCO LLC Hanson State Well No. 1 located in Unot N of Section 13, Township 20 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM  
Section 13: S/2

- (f) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the San Simon-Strawn Pool. The discovery well is the Mitchell Energy Corporation San Simon 5 State Well No. 2 located in Unit G of Section 5, Township 22 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM  
Section 5: NE/4

- (g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the Warren-San Andres Pool. The discovery well is the Conoco Inc. Warren Unit Well No. 108 located in Unit J of Section 28, Township 20 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM  
Section 28: SE/4

- (h) CONTRACT the vertical limits of the Querecho Plains-Pennsylvanian Pool in Lea County, New Mexico, to include only the Strawn formation and redesignate said pool as the Querecho Plains-Strawn Pool.

- (i) EXTEND the Antelope Ridge-Cherry Canyon Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM  
Section 10: NE/4

- (j) EXTEND the East Bell Lake-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM  
Section 33: NE/4  
Section 34: NW/4

- (k) EXTEND the DK-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM  
Section 29: W/2

- (l) EXTEND the East EK-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM

Section 15: SW/4

Section 22: N/2 NW/4

- (m) EXTEND the Southwest Jabalina-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 35 EAST, NMPM

Section 19: SW/4

Section 30: W/2

- (n) EXTEND the East Livingston Ridge-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 3: SW/4

Section 4: SE/4

- (o) EXTEND the North Lusk-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM

Section 22: W/2

- (p) EXTEND the Mesa Verde-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM

Section 6: W/2

- (q) EXTEND the Monument-Tubb Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 3: NE/4

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 7: SW/4

- (r) EXTEND the Pearsall-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM

Section 28: SW/4

- (s) EXTEND the Pitchfork Ranch-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM

Section 3: SE/4

- (t) EXTEND the Red Hills-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM

Section 1: E/2

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM

Section 8: SW/4

Section 17: N/2

- (u) EXTEND the Red Tank-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 24: SW/4

- (v) EXTEND the West Red Tank-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM  
Section 14: NE/4

- (w) EXTEND the South Sand Dunes-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM  
Section 31: NW/4

- (x) EXTEND the North Teague Drinkard-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM  
Section 4: SW/4  
Section 5: SE/4  
Section 9: S/2 NW/4

- (y) EXTEND the North Teague Lower Paddock-Blinebry Associated Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM  
Section 4: SW/4

- (z) EXTEND the North Teague-Tubb Associated Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM  
Section 5: SE/4  
Section 8: NE/4  
Section 9: NE/4 and SW/4

- (aa) EXTEND the Northwest Townsend-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
Section 4: S/2 and Lots 11, 12, 13, and 14

**CASE 11250:** In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico.

- (a) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for Devonian production and designated as the Northwest Chisum Siluro-Devonian Pool. The discovery well is the Hanagan Petroleum Corporation Gray Wolf Well No. 1 located in Unit J of Section 33, Township 10 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM  
Section 33: SE/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Abo production and designated as the North Empire-Abo Pool. The discovery well is the Mack Energy Corporation Big George State Well No. 2 located in Unit J of Section 12, Township 17 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM  
Section 12: SE/4

- (c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the West McKittrick Hills-Morrow Gas Pool. The discovery well is the Yates Petroleum Corporation Anemone "ANE" Federal Well No. 1 located in Unit K of Section 9, Township 22 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPM  
Section 9: S/2

- (d) EXTEND the Brushy Draw-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM  
Section 10: SW/4
- (e) EXTEND the South Burton-Yates Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 20: SE/4
- (f) EXTEND the East Burton Flat-Strawn Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM  
Section 7: W/2
- (g) EXTEND the Cedar Canyon-Bone Spring Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM  
Section 3: NE/4
- (h) EXTEND the North Cedar Lake-Strawn Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM  
Section 25: S/2
- (i) EXTEND the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM  
Section 32: NW/4
- (j) EXTEND the Foster Draw-Delaware Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM  
Section 5: SW/4  
Section 6: SE/4
- (k) EXTEND the Happy Valley-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM  
Section 33: SW/4
- (l) EXTEND the East Herradura Bend-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM  
Section 1: SE/4
- (m) EXTEND the Ingle Wells-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM  
Section 34: SW/4
- (n) EXTEND the Northeast Livingston Ridge-Atoka Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM  
Section 12: SE/4  
TOWNSHIP 22 SOUTH, RANGE 31 EAST, NMPM  
Section 7: S/2

- (o) EXTEND the Los Medanos-Atoka Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM  
Section 24: S/2
- (p) EXTEND the Lost Tank-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 22 SOUTH, RANGE 31 EAST, NMPM  
Section 2: SW/4
- (q) EXTEND the Nash Draw-Brushy Canyon Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 23 SOUTH, RANGE 29 EAST, NMPM  
Section 24: NE/4
- (r) EXTEND the Northwest Poker Lake-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 24 SOUTH, RANGE 30 EAST, NMPM  
Section 12: SE/4
- (s) EXTEND the Southwest Poker Lake-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 24 SOUTH, RANGE 30 EAST, NMPM  
Section 25: SW/4  
Section 36: NW/4
- (t) EXTEND the West Sand Dunes-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM  
Section 3: SW/4  
Section 4: SE/4
- (u) EXTEND the Santo Nino-Bone Spring Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM  
Section 29: NW/4
- (v) EXTEND the Siegrest Draw-Abo Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM  
Section 31: SE/4  
Section 32: SW/4

**CASE 11251:** In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order creating and extending certain pools in Rio Arriba and San Juan Counties, New Mexico.

- (a) CREATE a new pool in San Juan County, New Mexico, classified as an oil pool for Gallup production and designated as the Grassy-Gallup Oil Pool. The discovery well is the Redwolf Production Inc. Kelly Well No. 1 located in Unit P of Section 25, Township 30 North, Range 15 West, NMPM. Said pool would comprise:  
TOWNSHIP 30 NORTH, RANGE 15 WEST, NMPM  
Section 25: SE/4 SE/4
- (b) CREATE a new pool in San Juan County, New Mexico, classified as an oil pool for Gallup production and designated as the Greek-Gallup Oil Pool. The discovery well is the Dugan Production Corporation Monte Carlo Well No. 1 located in Unit M of Section 16, Township 30 North, Range 15 West, NMPM. Said pool would comprise:  
TOWNSHIP 30 NORTH, RANGE 15 WEST, NMPM  
Section 16: SW/4 SW/4

- (c) CREATE a new pool in Rio Arriba County, New Mexico, classified as a gas pool for Pictured Cliffs production and designated as the La Jara-Pictured Cliffs Pool. The discovery well is the Meridian Oil Inc. San Juan 30-6 Well No. 92A located in Unit I of Section 33, Township 30 North, Range 7 West, NMPM. Said pool would comprise:

TOWNSHIP 30 NORTH, RANGE 7 WEST, NMPM

Section 33: SE/4

- (d) CREATE a new pool in Rio Arriba County, New Mexico, classified as a gas pool for Pictured Cliffs production and designated as the Navajo City-Pictured Cliffs Pool. The discovery well is the Meridian Oil Inc. San Juan 30-6 Well No. 66 located in Unit K of Section 14, Township 30 North, Range 7 West, NMPM. Said pool would comprise:

TOWNSHIP 30 NORTH, RANGE 7 WEST, NMPM

Section 14: SW/4

- (e) EXTEND the Angels Peak-Gallup Associated Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM

Section 29: NE/4

- (f) EXTEND the Bisti-Chacra Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 22 NORTH, RANGE 8 WEST, NMPM

Section 18: W/2

Section 19: N/2

Section 20: NW/4

- (g) EXTEND the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 9 WEST, NMPM

Section 33: NW/4

- (h) EXTEND the Blanco-Pictured Cliffs Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 7 WEST, NMPM

Section 5: W/2

Section 6: E/2

TOWNSHIP 30 NORTH, RANGE 7 WEST, NMPM

Section 31: E/2

Section 32: W/2

- (i) EXTEND the Choza Mesa-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 4 WEST, NMPM

Section 20: NE/4

Section 21: NW/4

- (j) EXTEND the Crouch Mesa-Mesaverde Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM

Section 1: NE/4

- (k) EXTEND the Gavilan-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 3 WEST, NMPM

Section 36: E/2

- (l) EXTEND the Gobernador-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM

Section 13: W/2

- (m) EXTEND the Rosa-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 31 NORTH, RANGE 6 WEST, NMPM

Section 8: S/2

Section 16: All

Section 17: NW/4 and E/2

Section 21: SE/4

Section 22: NE/4

- (n) EXTEND the Tapacito-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 3 WEST, NMPM

Section 19: W/2

TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM

Section 5: NW/4

Section 6: N/2 and SW/4

Section 7: S/2 and NW/4

Section 18: W/2

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM

Sections 1 and 2: All

Section 10: SE/4

Section 11: All

Section 12: N/2 and SE/4

Section 13: E/2

Section 14: All

Section 15: NE/4

TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM

Section 24: SW/4

Section 25: All

Section 26: S/2

Section 27: S/2

Section 28: S/2

Section 31: NE/4

Section 32: N/2

Sections 33 through 36: All

**RECEIVED**

APR 3 1995

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

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 11247

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

CASE NO. 11243

APPLICATION OF AMOCO PRODUCTION COMPANY  
FOR COMPULSORY POOLING, SAN JUAN COUNTY, NEW MEXICO

**CONSOLIDATED  
PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by RICHARDSON  
OPERATING CO., as required by the Oil Conservation Division.

**APPEARANCE OF PARTIES**

**APPLICANT (Case 11247)**

Richardson Operating Co.  
1700 Lincoln, Suite 1700  
Denver, Colorado 80203  
(303) 830-8000  
attn: Cathy Colby

**ATTORNEY**

W. Thomas Kellahin  
KELLAHIN AND KELLAHIN  
P.O. Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285

NMOCD Cases 11243 & 11247  
Richardson Operating Company  
Page 2.

APPLICANT (Case 11243)

Amoco Production Company

ATTORNEY

William F. Carr, Esq.  
P. O. Box 2208  
Santa Fe, New Mexico 87501  
(505) 988-4421

### STATEMENT OF RICHARDSON OPERATING COMPANY

Richardson has a working interest ownership in the oil and gas minerals underlying the SW/4 and the W/2 of Section 12, T29N, R13W, NMPM, San Juan County, New Mexico.

In order to minimize surface disturbance within the SW/4 of said Section 12, Richardson seeks approval to locate its ROPCO Federal 12 Well No. 3 at a point within 200 feet radius of the Amoco Burnham Gas Com Well No. 1, which is an existing Dakota producing well located 870 feet FSL and 1180 feet FWL of said Section 12.

Richardson has proposed to the other working interest owners that this well be drilled and completed as a "downhole commingled completion" for potential production from the Basin Fruitland Coal Gas Pool with any Pictured Cliffs production to be dedicated respectively to a 320-acre coal-gas spacing and proration unit consisting of the W/2 of Section 12 and to a 160-acre gas spacing and proration unit consisting of the SW/4 of said Section for production from either the Fulcher Kutz-Pictured Cliffs Gas Pool or the West Kutz-Pictured Cliffs Gas Pool.

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. Therefore, 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.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES	EST. TIME	EXHIBITS
Cathy Colby (landman)	20 min.	@ 8 exhibits
David B. Richardson (geologist)	20 Min.	@ 3 exhibits
Dana Delventhal (petroleum engineer)	30 Min.	@ 6 exhibits
Rod Markham	30 Min.	@ 6 exhibits

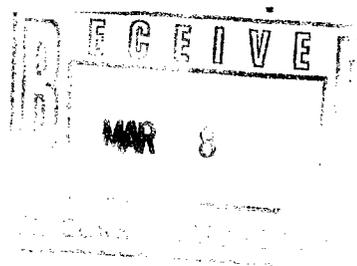
**PROCEDURAL MATTERS**

None anticipated at this time.

KELLAHIN AND KELLAHIN

By: 

W. Thomas Kellahin  
P.O. Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285



BEFORE THE

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

OIL CONSERVATION DIVISION

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

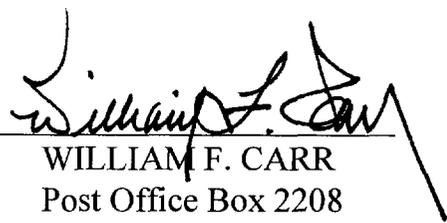
CASE NO. 11247

ENTRY OF APPEARANCE

COMES NOW CAMPBELL, CARR & BERGE, P.A., and hereby enters its  
appearance in the above referenced cases on behalf of Amoco Production Company.

Respectfully submitted,

CAMPBELL, CARR & BERGE, P.A.

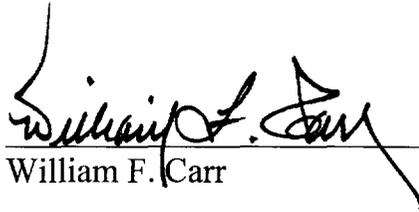
By:   
WILLIAM F. CARR  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR AMOCO PRODUCTION  
COMPANY

## CERTIFICATE OF MAILING

I hereby certify that on this 20<sup>th</sup> day of March, 1995, I have caused to be mailed a copy of our Entry of Appearance in the above-captioned cases to the following counsel of record:

W. Thomas Kellahin, Esq.  
Kellahin & Kellahin  
Post Office Box 2265  
Santa Fe, New Mexico 87504

  
\_\_\_\_\_  
William F. Carr

**KELLAHIN AND KELLAHIN**

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

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SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285  
TELEFAX (505) 982-2047

W. THOMAS KELLAHIN\*

\*NEW MEXICO BOARD OF LEGAL SPECIALIZATION  
RECOGNIZED SPECIALIST IN THE AREA OF  
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

March 14, 1995

11247

HAND DELIVERED

**RECEIVED**

MAR 14 1995

Oil Conservation Division

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

Re: ROPCO Federal 12-3 (A) PC (B) FC Well  
W/2 & SW/4 Section 12, T29N, R13W, NMPM  
Application of Richardson Operating Company for  
Compulsory Pooling, Downhole Commingling and  
an Unorthodox Gas Well Location, San Juan County, New Mexico

Dear Mr. Stogner:

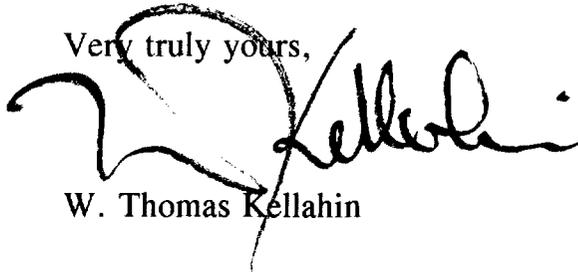
On behalf of Richardson Operating Company, please find enclosed our application for compulsory pooling, downhole commingling and a potential unorthodox gas well location which we request be set for hearing on the Examiner's docket now scheduled for April 6, 1995. Also enclosed is our proposed notice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

W. Thomas Kellahin

Enclosure:

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

11247

PROPOSED ADVERTISEMENT FOR NMOCD DOCKET

**CASE \_\_\_**: Application of Richardson Operating Company for compulsory pooling, downhole commingling 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 SW/4 and all mineral interests in the Basin Fruitland Coal Gas Pool underlying the W/2 of Section 12, T29N, R13W, NMPM, San Juan County, New Mexico, forming standard 160-acre and 320-acre spacing and proration units, respectively. Said units are to be dedicated to Richardson Operating Company's ROPCO Federal 12-3 (A) PC, (B) FC Well which is to be located at a potential unorthodox gas well location within 200 feet of a point 870 feet from the South line and 1180 feet from the West line of said Section 12 for downhole commingled production from the Fulcher Kutz-Pictured Cliffs Gas Pool or the West Kutz-Pictured Cliffs Gas Pool and the Basin-Fruitland Coal 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.

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

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MAR 14 1995

Oil Conservation Division

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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, DOWNHOLE COMMINGLING  
AND AN UNORTHODOX GAS WELL LOCATION,  
SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 11247

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 SW/4 and all mineral interests in the Basin Fruitland Coal Gas Pool underlying the W/2 of Section 12, T29N, R13W, NMPM, San Juan County, New Mexico, forming standard 160-acre and 320-acre spacing and proration units, respectively. Said units are to be dedicated to Richardson Operating Company's ROPCO Federal 12-3 (A) PC (B) FC Well which is to be located at a potential unorthodox gas well location within 200 feet of a point 870 feet from the South line and 1180 feet from the West line of said Section 12 for downhole commingled production from the Fulcher Kutz-Pictured Cliffs Gas Pool or the West Kutz-Pictured Cliffs Gas Pool and the Basin-Fruitland Coal 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 SW/4 and the W/2 of Section 12, T29N, R13W, NMPM, San Juan County, New Mexico.

2. In order to minimize surface disturbance within the SW/4 of said Section 12, Richardson seeks approval to locate its ROPCO Federal 12-3 (A) PC (B) FC Well at a point within 200 feet radius of the Amoco Burnham Gas Com Well No. 1, which is an existing Dakota producing well located 870 feet FSL and 1180 feet FWL of said Section 12.

3. Richardson has proposed to the other working interest owners that this well be drilled and completed as a "downhole commingled completion" for potential production from the Basin Fruitland Coal Gas Pool with any Pictured Cliffs production to be dedicated respectively to a 320-acre coal-gas spacing and proration unit consisting of the W/2 of Section 12 and to a 160-acre gas spacing and proration unit consisting of the SW/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 these spacing units, 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 each spacing unit and to the 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.

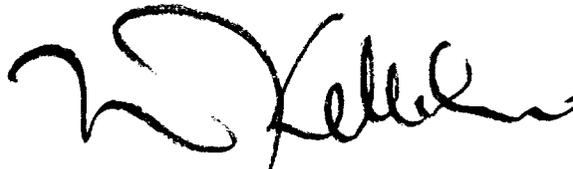
WHEREFORE, Richardson, as applicant, requests that this application be set for hearing on April 6, 1995 before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the mineral interest described in this spacing unit for the drilling, completion and operations of the subject well for downhole commingled production at a potential 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:

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', written in a cursive style.

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

Royalty Owners and Overriding Royalty Owners:

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

*Case 11247*

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  
Albuquerque, NM 87110

Glenn C. Callow  
c/o Jeff Callow  
626 Craig Street  
Walla Walla, WA 99362-3349

Arnold E. Carle  
c/o Genevieve Carle  
P.O. Box 4325  
Vancouver, WA 98662-0325

United States of America  
Bureau of Land Management  
c/o Mr. Duane Spencer  
1235 La Plata Highway  
Farmington, NM 87401

A. L. Duff, Jr. (deceased)  
no address

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/Fruitland Coal Operators:

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