

Force Pooling
S/2 (Fruitland Coal) SW/4 Pictured Cliffs Section 17-T29N-R13W
RPC 17-3

Arnette Small
2516 Sinbad Road
Dodgeville, WI 53533
2.1663 net acres (FC) 1.2498 net acres (PC)

Elizabeth L Fisk, Trustee
P O Box 310
Farmington, NM 87499
1.5406 acres (FC)

Howard Henderson, deceased
5809 North 24th Place
Phoenix, AZ 86016
5.50 net acres (FC) 3.75 net acres (PC)

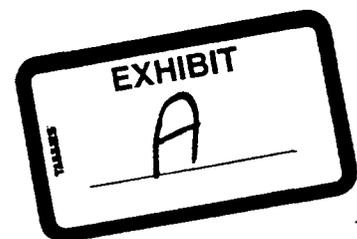
Julia Cremean Satterley
P O Box 448
Wadsworth, IL 60083
2.1663 net acres (FC) 1.2498 net acres (PC)

Dr. William A Hall
416 N Behrend Street
Farmington, NM 87401
5.00 net acres (FC)

First National Bank of Iowa City, Iowa
Trustee U/T/A dated August 6, 1966
P O Box 1800
Iowa City, IA 52244
5.00 net acres (FC)

Navajo Bible Missionary Church
P O Box 1655
Farmington, NM 87499
.4300 net acres (FC)

New Mexico State Highway Department
Attn: Mr. Lester Cisneros
P O Box 1149
Santa Fe, NM 8750-1149
1.0733 net acres (FC)



KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

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)

January 3, 2002

TO: NOTICE OF THE HEARING OF THE FOLLOWING NEW
MEXICO OIL CONSERVATION DIVISION CASE:

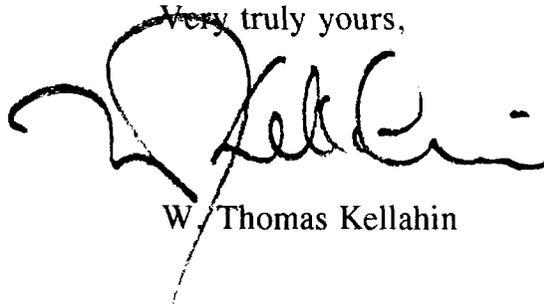
*Re: Application of Richardson Production Company
for Compulsory Pooling
San Juan County, New Mexico*

On behalf of Richardson Production Company, please find enclosed our application for compulsory pooling for its RPC "17" Well No. 3, (Unit M) SW/4 and S/2 Section 17, T29N, R13W, NMPM. This case will be heard at the January 24, 2002 hearing to be held by the New Mexico Oil Conservation Division at the Division hearing room located at 1220 South Saint Francis Drive, Santa Fe, New Mexico.

As an interest owner who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

Pursuant to the Division's Memorandum 2-90, you are further notified that if you desire to appear in this case, then you are requested to file a Pre-Hearing Statement with the Division not later than 4:00 PM on Friday, January 18, 2002, with a copy delivered to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', written over the typed name below.

W. Thomas Kellahin

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

**IN THE MATTER OF THE APPLICATION
OF RICHARDSON PRODUCTION COMPANY FOR
COMPULSORY POOLING AND DOWNHOLE COMMINGLING
SAN JUAN COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

Comes now RICHARDSON PRODUCTION 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 S/2 of Section 17, T29N, R13W, NMPM, San Juan County, New Mexico, forming standard 160-acre and 320-acre spacing and proration units, respectively. The units are to be dedicated to its RPC "17" Well No. 3 which is to be located in Unit M of Section 17 for downhole commingled production from the Pictured Cliffs formation and the Basin-Fruitland Coal Gas Pool. Also to be considered will be the costs of participation in the 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 Richardson Operating Company as the operator of the well.

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

1. Richardson has acquired a right to drill for the oil and gas minerals underlying the SW/4 and the S/2 of Section 17, T29N, R13W, NMPM, San Juan County, New Mexico.

2. Richardson has proposed to the other working interest owners and unleased mineral 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 S/2 of Section 17 and to a 160-acre gas spacing and proration unit consisting of the SW/4 of Section 17 for production from the Pictured Cliffs formation.

3. In accordance with Division Rule 303, applicant will file an application with the Division for administrative approval to drill, complete, produce and operate this well as a downhole commingled wellbore.

4. Despite its good faith efforts, Richardson has been unable to obtain a written voluntary agreement from all owners as shown on Exhibit "A".

5. Pursuant to NMSA 1978, Section 70-2-17.C 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 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 those interest owners.

7. Richardson requests that this matter be set for a hearing before the Division on the next available Examiner's docket now scheduled for January 24, 2002.

WHEREFORE, Richardson, as applicant, requests that this application be set for hearing on January 24, 2002 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 these spacing units for the drilling, completion and operations of the subject well for downhole commingled production 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 per month drilling and 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 over the typed name below.

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

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage)

Richardson
PRC "17" Well #3
January 24, 2002
1/3/02

First National Bank of Iowa
City Trustee U/T/A dated
August 6, 1996
PO Box 1800
Iowa City, IA 52244

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- First National Bank of Iowa
City Trustee U/T/A dated
1. August 6, 1996
PO Box 1800
Iowa City, IA 52244

2. Article Number (Copy from service label)

PS Form 3811, July 1999

7001 0320 0004 4159 2996

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) <i>Don W. [Signature]</i>	B. Date of Delivery JAN 24 2002
C. Signature <i>Don W. [Signature]</i>	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
D. Is delivery address different from item 1? If YES, enter delivery address below:	
<input type="checkbox"/> Yes <input type="checkbox"/> No	

Richardson
PRC "17" Well #3
January 24, 2002
1/3/02

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage)

Richardson
PRC "17" Well #3
January 24, 2002
1/3/02

Elizabeth L Fisk Trustee
PO Box 310
Farmington, NM 87499

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- At Elizabeth L Fisk Trustee
or PO Box 310
1. At Farmington, NM 87499

2. Article Number (Copy from service label)

PS Form 3811, July 1999

7001 0320 0004 4159 3030

A. Received by (Please Print Clearly) <i>Jelly [Signature]</i>	B. Date of Delivery 1/27/02
C. Signature <i>[Signature]</i>	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
D. Is delivery address different from item 1? If YES, enter delivery address below:	
<input type="checkbox"/> Yes <input type="checkbox"/> No	

Richardson
PRC "17" Well #3
January 24, 2002
1/3/02



PS Form 3800, January 2001 See Reply

U.S. Postal Service
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Richardson
PRC "17" Well #3
January 24, 2002
1/3/02

Dr. William A Hall
416 N Behrend St.
Farmington, NM 87401

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attached or on Dr. William A Hall
416 N Behrend St.
1. Article Farmington, NM 87401

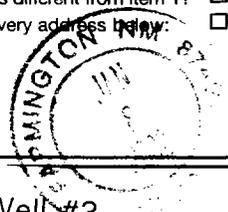
2. Article Number (Copy from service label)

PS Form 3811, July 1999

7001 0320 0004 4159 3009

A. Received by (Please Print Clearly) <i>William E. Sheridan</i>	B. Date of Delivery
C. Signature <i>William E. Sheridan</i>	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
D. Is delivery address different from item 1? If YES, enter delivery address below:	
<input type="checkbox"/> Yes <input type="checkbox"/> No	

Richardson
PRC "17" Well #3
January 24, 2002
1/3/02



U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage)

SENDER: COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

Richardson
 PRC "17" Well #3
 January 24, 2002
 1/3/02

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
 - Print your name and address on the reverse so that we can return the card to you.
 - Attach **Howard Henderson deceased** or or **5809 North 24th PL.**
1. Article **Phoenix, AZ 86016**

A. Received by (Please Print Clearly)	B. Date of Delivery JAN 07 2002
C. Signature <i>Coan Henderson</i>	
<input type="checkbox"/> Agent	<input checked="" type="checkbox"/> Addressee
Is delivery address different from item 1? <input type="checkbox"/> Yes	
If YES, enter delivery address below: <input type="checkbox"/> No	

Return Receipt Required (Restrictor Code 0000)
 Restricted Delivery (Restrictor Code 0000)

Total Fee
 5809 North 24th PL.
 Phoenix, AZ 86016

Street, Apt. or P.O. No.
 City, State

2. Article Number (Copy from service label)

Richardson
 PRC "17" Well #3
 January 24, 2002
 1/3/02

PS Form 3800, January 2001

PS Form 3811, July 1999

7001 0320 0004 4159 3023

A-0952

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage)

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
 - Print your name and address on the reverse so that we can return the card to you.
 - Navajo Bible Missionary Church
1. PO Box 1655
 Farmington, NM 87499

A. Received by (Please Print Clearly) <i>Chester Dean</i>	B. Date of Delivery <i>1/7/02</i>
C. Signature <i>Chester Dean</i>	
<input type="checkbox"/> Agent	<input checked="" type="checkbox"/> Addressee
Is delivery address different from item 1? <input type="checkbox"/> Yes	
If YES, enter delivery address below: <input type="checkbox"/> No	

Navajo Bible Missionary
 Church
 PO Box 1655
 Farmington, NM 87499

Total Fee

Street, Apt. or P.O. No.
 City, State

2. Article Number (Copy from service label)

Richardson
 PRC "17" Well #3
 January 24, 2002
 1/3/02

PS Form 3800, January 2001

PS Form 3811, July 1999

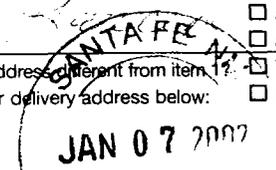
7001 0320 0004 4159 2989

952

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage)

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
 - Print your name and address on the reverse so that we can return the card to you.
 - Attach **NM State Highway Dept.** or or **Attn: Lester Cisneros**
1. Article **PO Box 1149**
SF, NM 87501-1149

A. Received by (Please Print Clearly)	B. Date of Delivery
C. Signature	
<input type="checkbox"/> Agent	<input checked="" type="checkbox"/> Addressee
Is delivery address different from item 1? <input type="checkbox"/> Yes	
If YES, enter delivery address below: <input type="checkbox"/> No	



Return Receipt Required (Restrictor Code 0000)
 Restricted Delivery (Restrictor Code 0000)
 NM State Highway Dept.
 Attn: Lester Cisneros
 PO Box 1149
 SF, NM 87501-1149

Return Receipt Required (Restrictor Code 0000)
 Restricted Delivery (Restrictor Code 0000)

Total Fee

Street, Apt. or P.O. No.
 City, State

2. Article Number (Copy from service label)

Richardson
 PRC "17" Well #3
 January 24, 2002
 1/3/02

PS Form 3800, January 2001

PS Form 3811, July 1999

7001 0320 0004 4159 2972

102595-00-M-0952

**U.S. POSTAL SERVICE
CERTIFIED MAIL RECEIPT**

Richardson
PRC "17" Well #3
January 24, 2002
1/3/02

Julia Cremean Satterley
PO Box 448
Wadsworth, IL 60083

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece.

1. Article Number (Copy from service label)
or o **Arnette Small**
2516 Sinbad Rd.
Dodgeville, WI 53533

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) **TOM Small** B. Date of Delivery **01-07-02**
C. Signature *Tom Small* Agent Addressee
Is delivery address different from item 1? Yes No
YES, enter delivery address below:

3. Service Type
Richardson
PRC "17" Well #3
January 24, 2002
1/3/02

2. Article Number (Copy from service label)

PS Form 3811, July 1999

7001 0320 0004 4159 3047

**U.S. Postal Service
CERTIFIED MAIL RECEIPT**
(Domestic Mail Only; No Insurance Coverage)

Richardson
PRC "17" Well #3
January 24, 2002
1/3/02

Arnette Small
2516 Sinbad Rd.
Dodgeville, WI 53533

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece.

1. Article Number (Copy from service label)
or o **Julia Cremean Satterley**
PO Box 448
Wadsworth, IL 60083

A. Received by (Please Print Clearly) B. Date of Delivery
C. Signature *Julia Cremean Satterley* Agent Addressee
Is delivery address different from item 1? Yes No
YES, enter delivery address below:



Richardson
PRC "17" Well #3
January 24, 2002
1/3/02

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Receipt

7001 0320 0004 4159 3016

10299-00-000-0002

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the Bank of Iowa First National Bank of Iowa dated City Trustee U/T/A dated August 6, 1996 PO Box 1890 Iowa City, IA 52244

1. Article Number (Copy from service label)
 PS Form 3811, July 1999

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Richardson B. Date of Delivery 1/17/02

C. Signature [Signature] Agent Addressee

D. Is delivery address different from item 1? Yes No

If YES, enter delivery address below:

Richardson
 PRC "17" Well #3
 January 24, 2002
 1/3/02

2. A
 PS Form 3811, July 1999

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece. or o Arnette Small

1. Article Number (Copy from service label)
 PS Form 3811, July 1999

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Richardson B. Date of Delivery 1/17/02

C. Signature [Signature] Agent Addressee

D. Is delivery address different from item 1? Yes No

If YES, enter delivery address below:

Richardson
 PRC "17" Well #3
 January 24, 2002
 1/3/02

2. Article Number (Copy from service label)
 PS Form 3811, July 1999

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Navajo Bible Missionary Church PO Box 1655 Farmington, NM 87499

1. Article Number (Copy from service label)
 PS Form 3811, July 1999

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Richardson B. Date of Delivery 1/17/02

C. Signature [Signature] Agent Addressee

D. Is delivery address different from item 1? Yes No

If YES, enter delivery address below:

Richardson
 PRC "17" Well #3
 January 24, 2002
 1/3/02

2. Article Number (Copy from service label)
 PS Form 3811, July 1999

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attn: Lester Cisneros PO Box 1149 SF, NM 87501-1149

1. Article Number (Copy from service label)
 PS Form 3811, July 1999

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Richardson B. Date of Delivery 1/17/02

C. Signature [Signature] Agent Addressee

D. Is delivery address different from item 1? Yes No

If YES, enter delivery address below:

Richardson
 PRC "17" Well #3
 January 24, 2002
 1/3/02

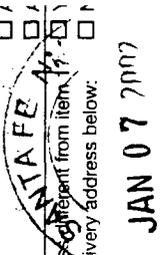
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 PS Form 3811, July 1999

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7001 0320 0004 4159 2989

7001 0320 0004 4159 2989

102595-1



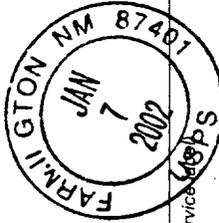
SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.

A. Elizabeth L Fisk Trustee
 or PO Box 310
 1. Article Farmington, NM 87499

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Elizabeth Fisk B. Date of Delivery 1/17/02
 C. Signature [Signature]
 Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:



Richardson
 PRC "17" Well #3
 January 24, 2002
 1/3/02

2. Article Number (Copy from service label) 700J 0320 0004 4J59 3030 A-0952
 PS Form 3811, July 1999

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.

A. Dr. William A Hall
 or on 416 N Behrend St.
 1. Article Farmington, NM 87401

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) William F. Shestak B. Date of Delivery
 C. Signature [Signature]
 Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

Richardson
 PRC "17" Well #3
 January 24, 2002
 1/3/02

2. Article Number (Copy from service label) 700J 0320 0004 4J59 3009 M-0952
 PS Form 3811, July 1999

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.

A. Howard Henderson deceased
 or or 5809 North 24th PL.
 1. Article Phoenix, AZ 86016

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Richardson B. Date of Delivery JAN 17 2002
 C. Signature [Signature]
 Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

Richardson
 PRC "17" Well #3
 January 24, 2002
 1/3/02

2. Article Number (Copy from service label) 700J 0320 0004 4J59 3023 A-0952
 PS Form 3811, July 1999

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.

A. Julia Cremean Satterley
 or c PO Box 448
 1. Article Wadsworth, IL 60083

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Richardson B. Date of Delivery JAN 17 2002
 C. Signature [Signature]
 Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

Richardson
 PRC "17" Well #3
 January 24, 2002
 1/3/02

2. Article Number (Copy from service label) 700J 0320 0004 4J59 3016 M-0952
 PS Form 3811, July 1999 Domestic Return Receipt