

1625 N. French Dr., Hobbs, NM 88240

1301 W. Grand Ave., Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

1220 S. St. Francis Dr., Santa Fe, NM

87505

State of New Mexico
Energy, Minerals and Natural Resources

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

July 2, 2004

WELL API NO.

30-045-31390

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

14-20-603-2198

7. Lease Name or Unit Agreement Name

Navajo 24

8. Well Number #1

9. OGRID Number

19219

10. Pool name or Wildcat

Basin Fruitland Coal & W. Kutz PC

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well: Oil Well Gas Well ☒ Other

2. Name of Operator

Richardson Operating Company

3. Address of Operator

3100 La Plata Highway, Farmington, NM 87401

4. Well Location

Unit Letter A : 704 feet from the North line and 1021 feet from the East line
Section 24 Township 29N Range 14W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

5364' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: DHC request ☒

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

The Navajo 24 #1 is a newly drilled Basin Fruitland Coal/West Kutz Pictured Cliffs well.

Pursuant to Order R-11363, Richardson Operating Company seeks approval to downhole commingle the "Pre-approved pools and areas": Basin-Fruitland Coal (71629) and West Kutz Pictured Cliffs (79680) in this well.

The Basin Fruitland Coal is perforated at 895'; 941'; 958': 992' - 1000' and 1009' - 1014', 51 holes.

The West Kutz Pictured Cliffs is perforated at 1020' - 1024', 4 holes.

Due to the intermingled nature of the pools and since neither pool has enough data to prepare a reliable production forecast or predict the ultimate reserves, therefore, based on production from the surrounding sections, Richardson will allocate production as follows:

Pictured Cliffs Production = 0.50 x Total Production.

Fruitland Coal Production = 0.50 x Total Production.

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

Ownership between the two pools is identical.

This Pool Allocation is requested until field data can support a more scientific allocation. This will be submitted by November 15, 2004.

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

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Charles H. Williams TITLE Engineering Operations Manager DATE 10/21/2004Type or print name Charles H. Williams E-mail address: cwilliams@richardsonoil.com Telephone No. 303-830-8000

For State Use Only

APPROVED BY: [Signature] TITLE _____ DATE OCT 7 2004Conditions of Approval (if any): Submit data for allocations