

Submit 3 Copies to Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd. Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, NM 87505

Form C-103

Revised March 25, 1999

WELL API NO.	30-045-30062
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	(Federal NM-25857)
7. Lease Name or Unit Agreement Name	WF Federal 20

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	8. Well No. #2
2. Name of Operator Richardson Operating Company	9. Pool name or Wildcat Basin FC/Twin Mounds, PC Ext.
3. Address of Operator 1700 Lincoln Street, Suite 1700 Denver, CO 80203	
4. Well Location Unit Letter <u>A</u> : <u>1086</u> feet from the <u>North</u> line and <u>866</u> feet from the <u>East</u> line Section <u>20</u> Township <u>30N</u> Range <u>14W</u> NMPM <u>San Juan</u> County	
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5560' GR	

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>
OTHER: <input checked="" type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	

12. 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 recompilation.

Pursuant to Order R-11224, Richardson Operating Company seeks permission to downhole commingle the Basin Fruitland Coal (71629) and Twin Mounds Pictured Cliffs Ext. (86620) pools.

The Basin Fruitland Coal formation is estimated to be perforated at 849'-853', 966'-970', 994'-998', 1072'-1084' and the Twin Mounds Pictured Cliffs Ext. formation is estimated to be perforated at 1090'-1100'.

Refer to the attached Technical Write-up for the allocation method and supporting data.

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

The ownership between the two pools is identical.

Richardson Operating Company has sent a like Sundry Notice to the BLM (Form 3160-5) setting out our intention to downhole commingle this well.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Cathleen Colby TITLE Land Manager DATE 7/24/00

Type or print name \_\_\_\_\_ Telephone No. 303-830-8000

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. IV DATE 7-31-00

Conditions of approval, if any:

**Richardson Operating Company**  
**WF Federal 20-2**  
**Commingling Application**

The WF Federal 20-2 is a newly drilled Basin Fruitland Coal/Twin Mounds Fruitland Sand Pictured Cliffs well. This is part of Richardson's development program in their WF (West Farmington) field. This is the second Pictured Cliffs and Fruitland Coal well in this section. The first such well in the section is Richardson's WF Federal 20-1 (Unit N, Sec. 20, T30N, R14W), which was approved for downhole commingling of the Fruitland Coal and Pictured Cliffs formations in Administrative Order DHC-2099.

Based on recent Richardson Operating wells in this township, it is anticipated that both zones will have similar bottom hole pressures of approximately 200 psi. Both zones produce some water and no liquid hydrocarbons. Neither zone is fluid sensitive and fluids from the two zones are compatible.

Since neither zone has enough data to prepare a reliable production forecast, or predict the ultimate reserves, Richardson Operating proposes to allocate the production based on the initial production rates from the Pictured Cliffs. The well will be perforated and stimulated in the Pictured Cliffs formation. The stimulation will then be cleaned up and the well flow tested. The production based on the flow test will establish the Pictured Cliffs base rate. The Fruitland Coal formation will be completed separately but it will be produced with the Pictured Cliffs. The Fruitland Coal production will be the total measured production minus the Pictured Cliffs production.

Assuming a 7% decline rate from the Pictured Cliffs, the proposed allocation formula is as follows:

**Pictured Cliffs Production** = Pictured Cliffs base rate  $\times e^{(-Dt)}$ , where  $D = 7\%/yr$  and  $t$  = time in years since first production.

**Fruitland Coal Production** = Total Production – Pictured Cliffs production.