

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 1235 La Plata Highway, Suite A Farmington, New Mexico 87401

OCT 13 2000

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IN REPLY REFER TO:

Richardson Operating Company Attn.: Cathleen Colby 1700 Lincoln, Suite 1700 Denver, CO., 80203

Dear Cathleen:

Reference is made to your Application for Permit to Drill (APD) the following well:

No.1 WF Federal 35 well, located 1160' FSL and 1725' FWL Sec 35, T. 30N., R.14W., in the Basin Fruitland Coal.

According to our records, this APD is in the same quarter-quarter location as an APD filed by Dugan Production Company (Dugan) for the Perf No. 90 well located 790' FSL and 1800' FWL section 35, T., 30N., R. 14W., in the Basin Fruitland Coal. The Perf No. 90 well was approved on April 5, 2000. In addition, a sundry notice was filed by Dugan changing the operator of the Perf No. 90 well from Dugan to Richardson Operating Company. As such, your APD for the No. 1 WF Federal 35 well is hereby returned with no further action taken.

If you have any questions regarding the above, please contact me at (505) 599-6367

Sincerely,

Jim Lovato

Petroleum Engineer

Petroleum Management Team

enclosures(APD)

cc: NMOCD Aztec