

DATE IN 6/26/03	SUSPENSE 7/24/03	ENGINEER MS	LOGGED IN LR	TYPE NSL	APP NO. PLRO-317747468
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



RECEIVED

JUN 26 2003

Oil Conservation Division

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] **[NSP-Non-Standard Proration Unit]** **[SD-Simultaneous Dedication]**
[DHC-Downhole Commingling] **[CTB-Lease Commingling]** **[PLC-Pool/Lease Commingling]**
[PC-Pool Commingling] **[OLS - Off-Lease Storage]** **[OLM-Off-Lease Measurement]**
[WFX-Waterflood Expansion] **[PMX-Pressure Maintenance Expansion]**
[SWD-Salt Water Disposal] **[IPI-Injection Pressure Increase]**
[EOR-Qualified Enhanced Oil Recovery Certification] **[PPR-Positive Production Response]**

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☒ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Paul Lehrman

Print or Type Name

Signature

Landman

Title

6/24/2003


Date

plehrman@digii.net
e-mail Address

**REQUEST FOR ADMINISTRATIVE APPROVAL FOR NON-STANDARD LOCATION
FOR RICHARDSON OPERATING COMPANY
WF FEDERAL 6 #2
745' FNL & 544 FEL, SECTION 6, TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM, SAN
JUAN COUNTY, NEW MEXICO**

- 1) The referenced well is located on fee surface, federal minerals. The proposed location is non-standard because of proximity to occupied residential real estate north of the Kirtland, New Mexico area. According to NMOC rules well locations depending on formation drilled must be 660' from the quarter section lines. The well location is 544' from the East Section line of Section 6. Therefore the Federal 6 #2 location is approximately 116' too far east. There is no physical location that would be legal because of occupied dwellings. Richardson controls the Fruitland Coal and Pictured Cliffs rights in the E/2 of Section 6.
- 2) A C-102 (Exhibit "A") is attached showing the well location and the proration unit for the proposed Fruitland Coal/Pictured Cliffs well. Application for Permit to Drill (APD) this well was submitted to the Bureau of Land Management, Farmington Field Office on June 24, 2003. A copy is attached to this application. Adding the Fruitland Coal pursuant to Order No. R-8768-C (71629) was included to infill the existing Richardson Bushman Federal 6#1 well as shown on the C-102. The Twin Mounds PC Extension will be a new completion in this pool.
- 3) A map (Exhibit "B") is attached showing the adjoining spacing units and existing Fruitland Coal/Pictured Cliffs wells. Richardson controls the Fruitland/PC rights in the offsetting spacing units, with the exception of those controlled by Dugan Production Corp. as shown on Exhibit "B".
- 4) Certified letters have been sent to offsetting operators to notify them of our intentions. Copies of the letters are attached to this application.
- 5) Existing land use concerns and the fact that the existing location exists force a non-standard location exception for this action. It would not be feasible to build a legal location to drill this Fruitland Coal/Pictured Cliffs well.
- 6) Archaeology and topography are not issues with this well.
- 7) Directional drilling is not feasible for such a shallow completion.
- 8) A non-standard location is requested because of surface conditions, i. e., existing occupied dwellings, streets and real estate in Kirtland, New Mexico.
- 9) I hereby certify that notice was sent to the following offset operators, leaseholders or Surface Owners which adjoin the applicant's spacing unit.

Dugan Production Corp.



Paul Lehrman
Richardson Operating Company
June 24, 2003

State of New Mexico
Energy, Minerals & Mining Resources Department
OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C - 102

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APA Number 30-045-	Pool Code 71629/86620	Pool Name Basin Fruitland Coal / Twin Mounds PC Ext.
Property Code	Property Name WF FEDERAL 6	Well Number 2
OGRIID No. 019219	Operator Name RICHARDSON OPERATING COMPANY	Elevation 5390'

Surface Location

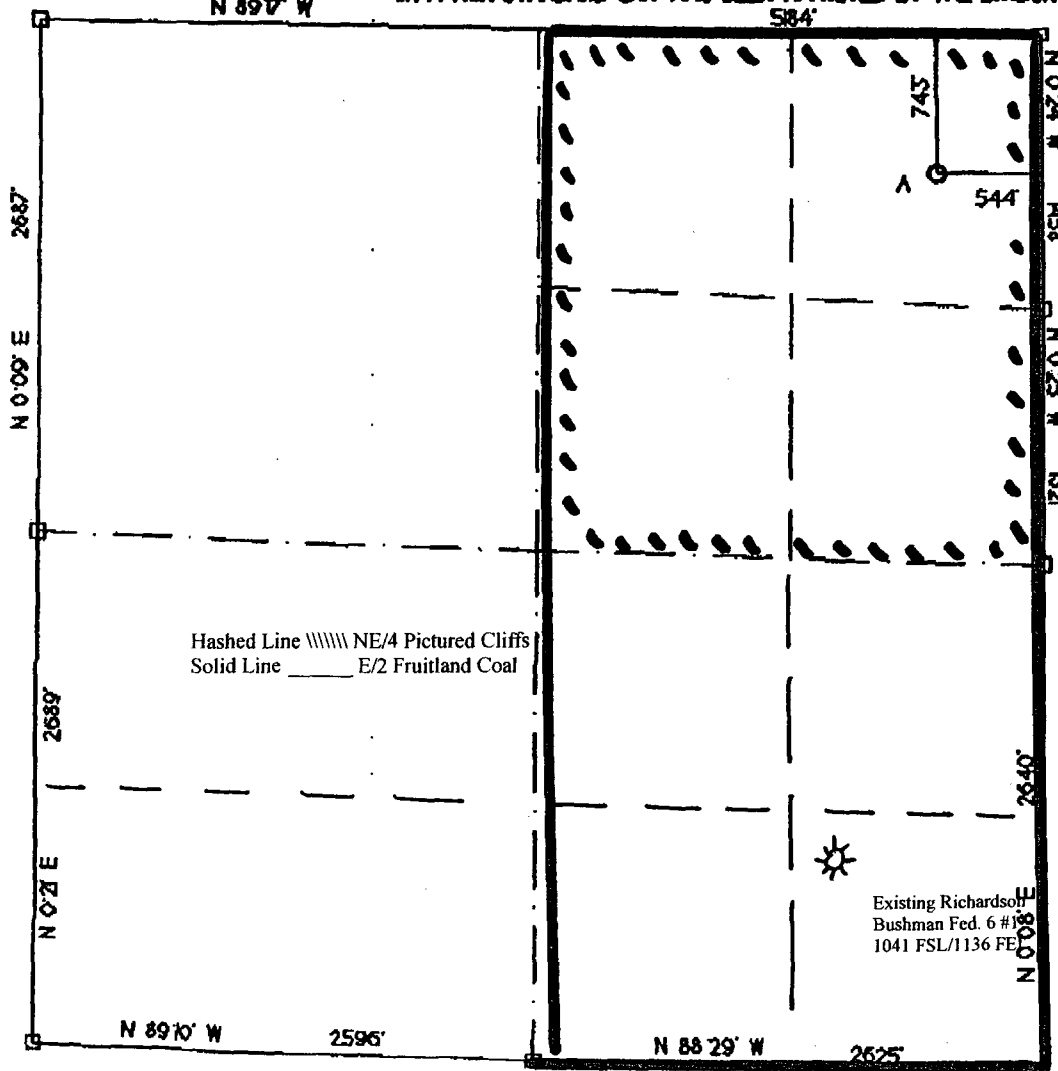
UL or Lot	Sec.	Twp.	Rge.	Lot Id.	Feet from	North/South	Feet from	East/West	County
A	6	29 N	14 W		743'	NORTH	544'	EAST	SAN JUAN

Bottom Hole Location if Different From Surface

UL or Lot	Sec.	Twp.	Rge.	Lot Id.	Feet from	North/South	Feet from	East/West	County

Dedication	Joint ?	Consolidation	Order No.

NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Signature *Paul Lehrman*

Printed Name **PAUL Lehrman**

Title **Landman**

Date **6/24/03**

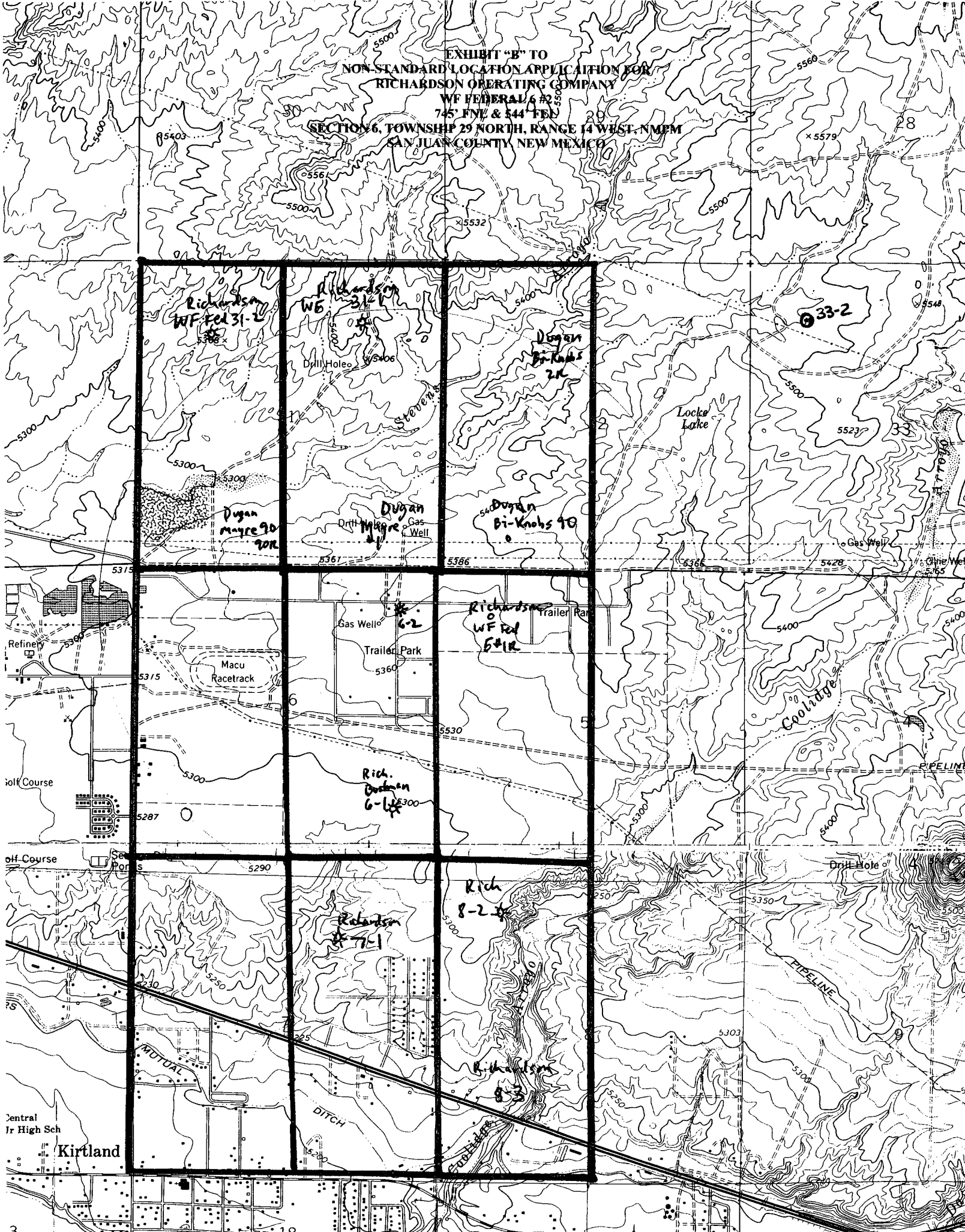
SURVEYOR CERTIFICATION

I hereby certify that the well location on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey

Signature *C. D. Johnston*
Professional Surveyor
6844
REGISTERED LAND SURVEYOR

EXHIBIT "B" TO
NON-STANDARD LOCATION APPLICATION FOR
RICHARDSON OPERATING COMPANY
WF FEDERAL 6 #2, 3
745' FNE & 544' FEN
SECTION 6, TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM
SAN JUAN COUNTY, NEW MEXICO



RICHARDSON PRODUCTION COMPANY

501 Airport Drive, Suite 119

Phone (505) 564-8115

FARMINGTON, NM 87401

FAX (505) 564-8334

June 24, 2003

Certified Mail

Return Receipt Requested

Article No. 7002 3150 0002 0906 8209

Mr. Dave Poage
Dugan Production Corp.
P.O. Box 420
Farmington, NM 87499

RE: Non-Standard Location Application
Proposed Fruitland/PC Well
Richardson WF Federal 6 #2
Township 29 North, Range 14 West, NMPM
765' FNL & 544 FEL
Section 6: NE/4
San Juan County, New Mexico

Dear Mr. Poage:

As required by New Mexico Oil Conservation Division (NMOCD) Rules, this letter will serve to notify you of the following non-standard location application for a well. This letter is a notice only. No action is required on your part unless you have questions or objections. Any objections must be filed in writing within 20 days of receipt of the application by the NMOCD.

Richardson Operating Company is applying to the NMOCD for a non-standard location for its proposed Richardson Operating WF Federal 6 #2 well in the Fruitland Coal/Pictured Cliffs formation. The minimum distance from quarter section lines required by NMOCD rules is 660'. Due to existing surface conditions (existing location), the well is approximately 544' from the east line of Section 6.

Well Name:	WF Federal 6 #2
Proposed Producing Zone:	Fruitland Coal/Pictured Cliffs
Acreage Dedication:	E/2 and NE/4 of Section 6, T29N, R14W, NMPM, San Juan Co., NM
Location:	544' FEL & 765 FNL, Section 6, T29N, R14W, NMPM, San Juan Co., NM
Applicant's Name:	Richardson Operating Company
Applicant's Address:	3100 La Plata Highway, Farmington, New Mexico 87401
Applicant's Phone No.	505/564-8115

Submittal Information: Application for a non-standard location will be filed with the NMOCD. If they determine the application complies with the regulations, it will be approved. Any questions can be submitted to the New Mexico Oil Conservation Division, whose address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Their phone number is 505/476-3440.

Thank you for your consideration in this matter.

Please call me at 505/564-8115 (Richardson's Land Office) if you have any questions.

Sincerely,


Paul Lehrman

Enclosures

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 on the front if space permits.

1. Article Addressed to:

Dugan Production Corp.
P.O. Box 420
Farm, NM
87499

2. Article Number
(Transfer from service label)

7002 3150 0002 0906 8209

PS Form 3811, August 2001

Domestic Return Receipt

2ACPRI-03-Z-0985

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?
If YES, enter delivery address below:

- ☐ Yes
☐ No

3. Service Type

- ☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

- ☐ Yes

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.
CERTIFIED MAIL™

7002 3150 0002 0906 8209
7002 3150 0002 0906 8209

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

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark
Here

Sent To Dugan Prod. Corp.
Street, Apt. No.,
or PO Box No. P.O. Box 420
City, State, ZIP+4 Farm, NM 87499

PS Form 3800, June 2002

See Reverse for Instructions

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

5. Lease Serial No.
NMNM-89026

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA Agreement, Name and No.
N/A

8. Lease Name and Well No.
WF Federal 6 #2

9. API Well No.
30-045-

10. Field and Pool or Exploratory
Basin, Fruitland Coal
Twin Mounds PC Ext.

11. Sec., T., R., M., or Blk. and Survey or Area
6-T29N, R14W

12. County or Parish
San Juan

13. State
NM

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator
Richardson Operating Company

3a. Address
3100 La Plata Highway, Farm., NM

3b. Phone No. (include area code)
505/564-3100

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface 745 FNL & 544 FEL
At proposed prod. zone Same

14. Distance in miles and direction from nearest town or post office*
1 mile north of Kirtland

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any) 544'

16. No. of Acres in lease
552.80

17. Spacing Unit dedicated to this well
NE/4-PC E/2-FC

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft. 3494'

19. Proposed Depth
960'

20. BLM/BIA Bond No. on file
#158293308-BLM Nationwide

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5390 GL

22. Approximate date work will start*
Upon Approval

23. Estimated duration
2 weeks

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

Name (Printed/Typed)

Date

Paul Lehrman

6/24/03

Title
Landman

Approved by (Signature)

Name (Printed/Typed)

Date

Title

Office

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Form C - 102

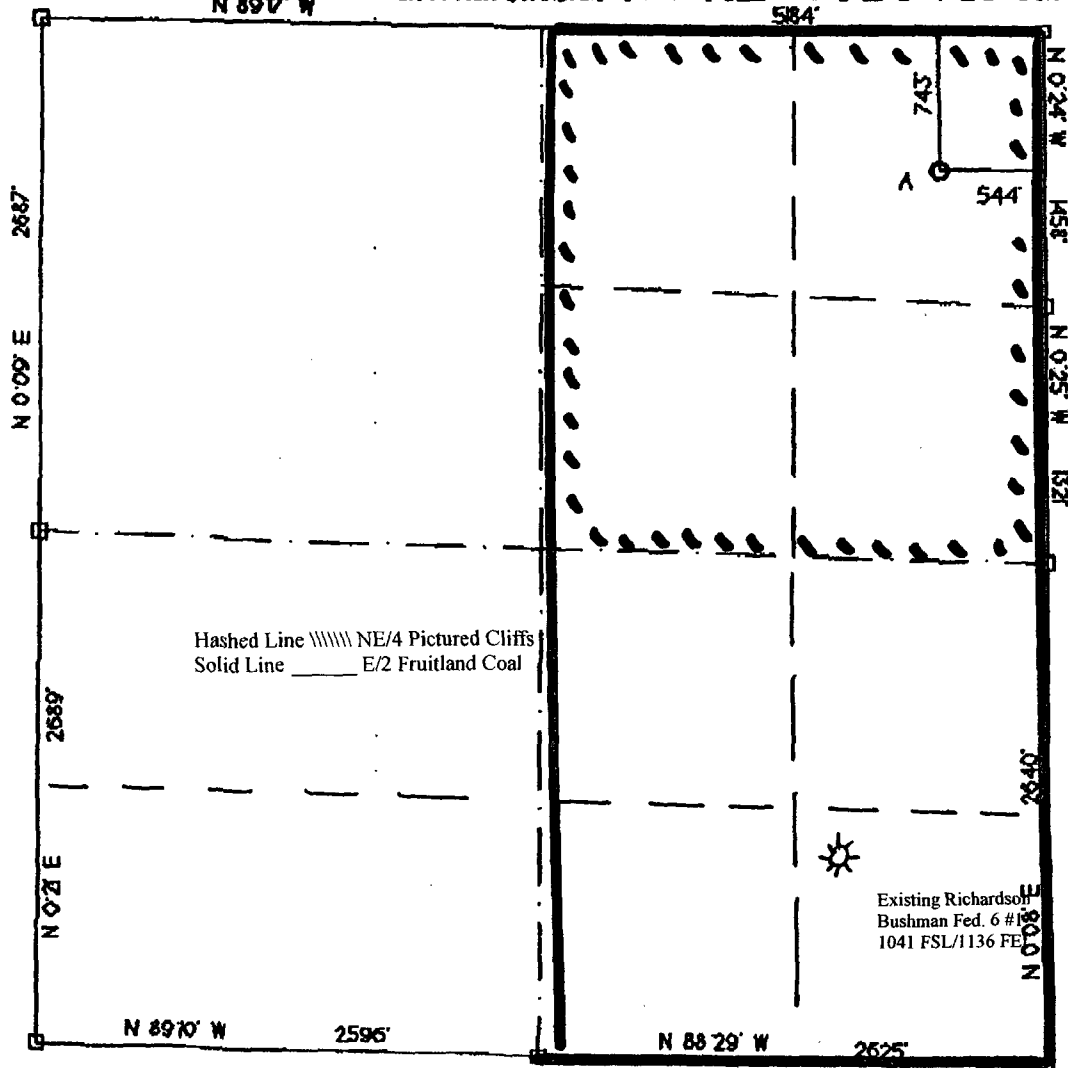
☐ AMENDED REPORT

APA Number 30-045-	Pool Code 71629/86626	Pool Name Basin Fritland Coal/Twin Mounds PC Ext.
Property Code	Property Name WF FEDERAL 6	Well Number 2
OGRIID No. 019219	Operator Name RICHARDSON OPERATING COMPANY	Elevation 5390'

UL or Lot	Sec.	Twp.	Rgn.	Lot No.	Feet from North/South	Feet from East/West	County
A	6	29 N.	14 W.		743'	544'	SAN JUAN

U. or Lot	Sec.	Twp.	Rge.	Lot No.	Feet from	North/South	Feet from	East/West	County
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NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISON



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

Signature

Printed Name

PAUL Lehman

Title	Date	Time	Place	Remarks
1.
2.
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24.
25.
26.
27.
28.
29.

Landman

Date:

6/24/03

I hereby certify that the well location on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey

Signature _____

2nd Sec 4

100

17

(684)

2012

...

REGISTERED MAIL

100

**Richardson Operating Company
WF Federal 6 #2
745' FNL & 544' FEL
Section 6, T29N, R14W, NMPM
San Juan County, New Mexico**

SURFACE USE PLAN

1. DIRECTIONS & EXISTING ROADS: (See attached)

From the junction of US 64 and Highway 173 (La Plata Highway) in Farmington, New Mexico, Go 6.3 miles West on Highway 64 to San Juan County Road 6500, Then turn right and go North 1.25 miles on CR 6500, until the junction of CR 6500/CR 6480. Then turn right and drive approximately .75 miles on CR 6480 to location on right.

Roads will be maintained to a standard at least equal to their present condition.

2. ROADS TO BE UPGRADED OR BUILT:

Approximately 20 feet of new access road will be built. The new well pad will be used for all operations.

3. EXISTING WELLS:

According to NM Oil Conservation Division records in Santa Fe and the State Engineers office in Aztec, New Mexico, there are nine gas wells and five plugged and abandoned wells are within a mile radius, four water and no oil or injection wells within a mile. The gas wells and plugged and abandoned wells are depicted on the plat on page 12.

4. PROPOSED PRODUCTION FACILITIES:

A meter run and separator are planned on the pad. A pump will be installed. Surface equipment will be painted a flat juniper green color.

Water and gas lines will be taken approximately 20 feet northeasterly to existing Richardson water and gas lines. See page 10 for pipeline route.

5. WATER SUPPLY:

Water will trucked from a private water source in Farmington.

Richardson Operating Company
WF Federal 6 #2
745' FNL & 544' FEL
Section 6, T29N, R14W, NMPM
San Juan County, New Mexico

DRILLING PROGRAM

1. ESTIMATED FORMATION TOPS:

<u>Formation</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Subsea Elevation</u>
Kirtland Sh	000'	5'	+5,395'
Fruitland Fm	510'	515'	+4,885'
Pictured Cliffs Ss	760'	765'	+4,635'
Total Depth (TD)*	960'	965'	+4,435'

*All elevations reflect the ungraded ground level of 5,390'

2. NOTABLE ZONES:

<u>Gas Zones</u>	<u>Water Zones</u>	<u>Coal Zones</u>
Fruitland Fm (510')	Fruitland Fm (510')	Fruitland Fm (510')
Pictured Cliffs (760')		

Water zones will be protected with casing, cement, and weighted mud. Fresh water encountered during drilling will be recorded by depth, cased, and cemented. Oil and gas shows will be tested for commercial potential based on the well site representatives recommendations.

3. PRESSURE CONTROL:

The drilling contract has not yet been awarded, thus the exact BOP model to be used is unknown. (A typical 2,000 psi model has been attached to the end of the drilling program.) Double ram or annular system with a rotating head will be used. All ram preventers and related equipment will be hydraulically tested at nipple up and after any use under pressure to 1000 psi.

Blind rams will be hydraulically activated and checked for operational readiness each time pipe is pulled out of the hole. All checks of the BOP stack and equipment will be noted on the daily drilling report. BOP equipment will include a floor safety valve and choke manifold rated to 2000 psi. Maximum expected pressure is 520 psi.

Drilling Program
Richardson Operating Company

Page Two

4. CASING AND CEMENTING PROGRAM:

<u>Hole Size</u>	<u>O.D.</u>	<u>Weight (lb/ft)</u>	<u>Grade</u>	<u>Age</u>	<u>GL Setting Depth</u>
8 3/4"	7"	17	J-55	New	120'
6 1/4"	4 1/2"	10.5	J-55	New	850'

Surface casing will be cemented to surface with ≈ 36 cu.ft. (≈ 30 sx) Class B + 2% CaCl. Volume is based on 100% excess, yield of 1.18 cu.ft./sk, and slurry weight of 15.6 ppg. WOC = 12 hours. Pressure test surface casing to 600 psi for 30 minutes.

Production casing hole will first be cleaned of rock chips by circulating at least 150% of hole volume with drilling fluid to surface. Thirty barrels of fresh water will then be circulated. Lead with ≈ 90 cu.ft. (≈ 45 sx) Class B with 2% metasilicate (yield = 2.06 cu.ft./sk, slurry weight = 12.5 ppg). Tail in with ≈ 70 cu.ft. (≈ 60 sx) Class B with 2% CaCl (yield = 1.18 cu.ft./sk, weight = 15.6 ppg). Total cement volume is ≈ 160 cu.ft. based on 75% excess and circulating to surface.

Production casing will have 4 1/2" cement guide shoe and self fill float collar. Float will be placed one joint above the shoe. Four centralizers will be spaced every other joint starting above the shoe. Four turbolizers will be placed every other joint starting from the top of the well.

5. MUD PROGRAM:

Surface casing hole will be drilled with fresh water. Production casing hole will be drilled with a fresh water polymer mud. Weighting material will be drill solids or, if needed, barite. Maximum expected mud weight will be 8.7 ppg. Sufficient material to maintain mud properties, control lost circulation, and contain a blowout will be available at the well while drilling.

6. CORING, TESTING, & LOGGING:

No cores or DSTs are planned. A cased hole CNL/GR will be run from TD to surface.

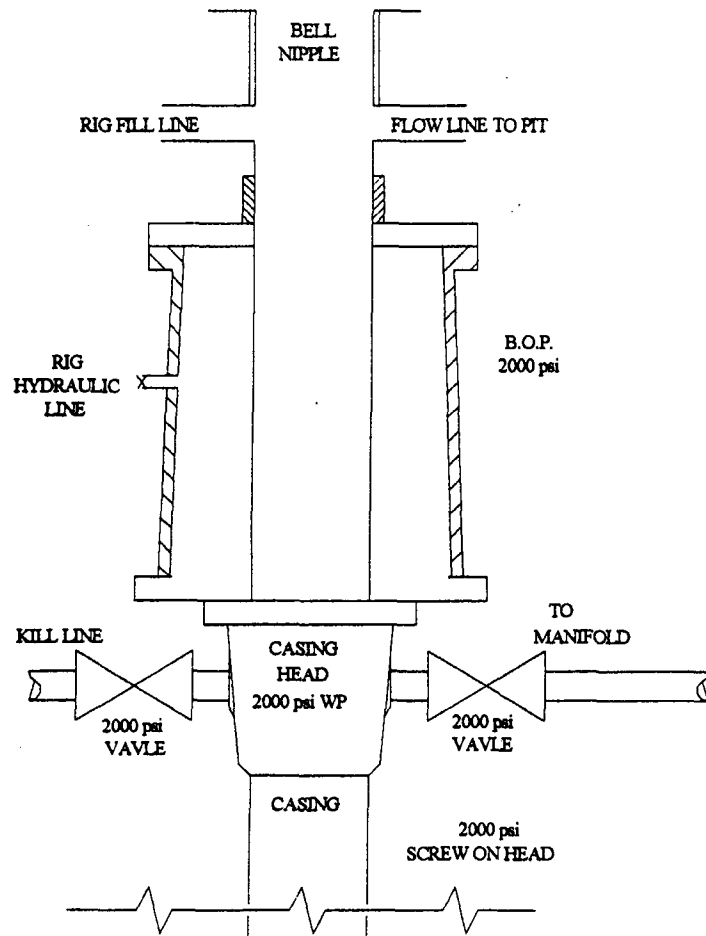
7. DOWNHOLE CONDITIONS:

No abnormal pressures, temperatures, nor hydrogen sulfide are expected. Maximum pressure will be approximately ≈ 520 psi.

8. OTHER INFORMATION:

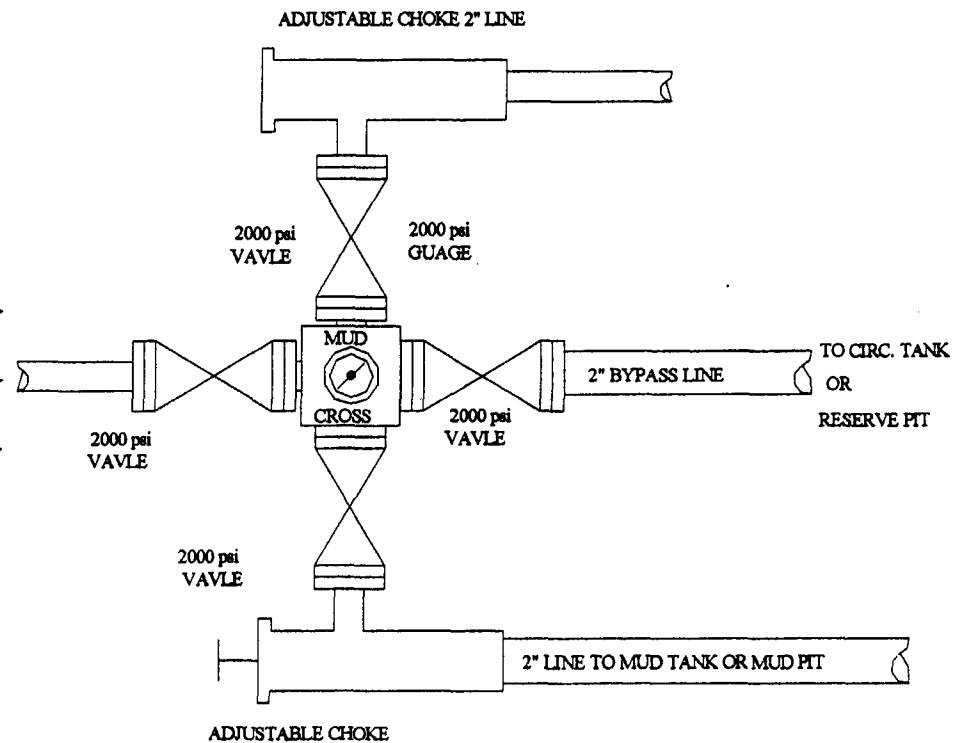
The anticipated spud date is August 1, 2003. It should take 5 days to drill and 1 week to complete the well.

BLOW OUT PREVENTER (B.O.P.)



Notes:

1. Length of Kelly does not allow enough room for a Kelly Cock.
2. All Fittings will be screw on fitting types. (Valves, Nipples, and T's)
3. All Fittings, this B.O.P., or equivalent, & Surface Casing will be pressure tested to 600 psi prior to drilling from surface pipe.



** 2000 psi Rubber hose will be used from Well Head to Manifold
& from Well Head to Kill Line.

Surface Use Plan
Richardson Operating Company

Page 2

6. CONSTRUCTION MATERIALS & METHODS:

NM One Call (1-800-321-ALERT) will be notified prior to any new construction. A minimum 12 mil plastic liner will be installed in the reserve pit.

7. WASTE DISPOSAL:

All trash will be placed in a portable trash cage. It will be hauled to the county landfill. There will be no trash burning. Once dry, the contents of the reserve pit will be buried in place. Human waste will be disposed of in chemical toilets and hauled to an approved dump station.

8. ANCILLARY FACILITIES:

There will be no airstrips or camps. Camper trailers may be on location for the company man, tool pusher, or mud logger.

9. WELL SITE LAYOUT:

See attached for depictions of the well pad, cross section, cut and fill diagram, reserve pit, trash cage, access onto the location, parking and living facilities, and rig orientation.

10. RECLAMATION:

Reclamation starts once the reserve pit is dry. It usually takes a year for a reserve pit to fully evaporate, at which point it will be backfilled. The pad and backfilled pit will be recontoured to a natural appearance, soil spread evenly over disturbed areas, and disturbed areas ripped or harrowed. BLM's seed mix #2 will be drilled between July 1 and September 15. If broadcast, the rate will be doubled. A harrow or cable will be dragged over the area to assure seed cover.

If the well is a producer, then the reserve pit and any other areas not needed for workovers will be reclaimed as previously described.

11. SURFACE OWNER:

Well site, road and pipeline are all on lease. ≈0.010 mile of road/pipeline is on private surface.

**Surface Use Plan
Richardson Operating Company**

Page 3

12. OTHER INFORMATION:

The nearest hospital is a 20 minute drive away in southwest Farmington.

13. REPRESENTATION:

Anyone having questions concerning the APD should call the field representative:

Drew Carnes, Operations Manager
Richardson Operating Company
3100 La Plata Highway
Farmington, NM 87401
(505) 564-3100 FAX (505) 564-3109 Cellular (505) 215-3926

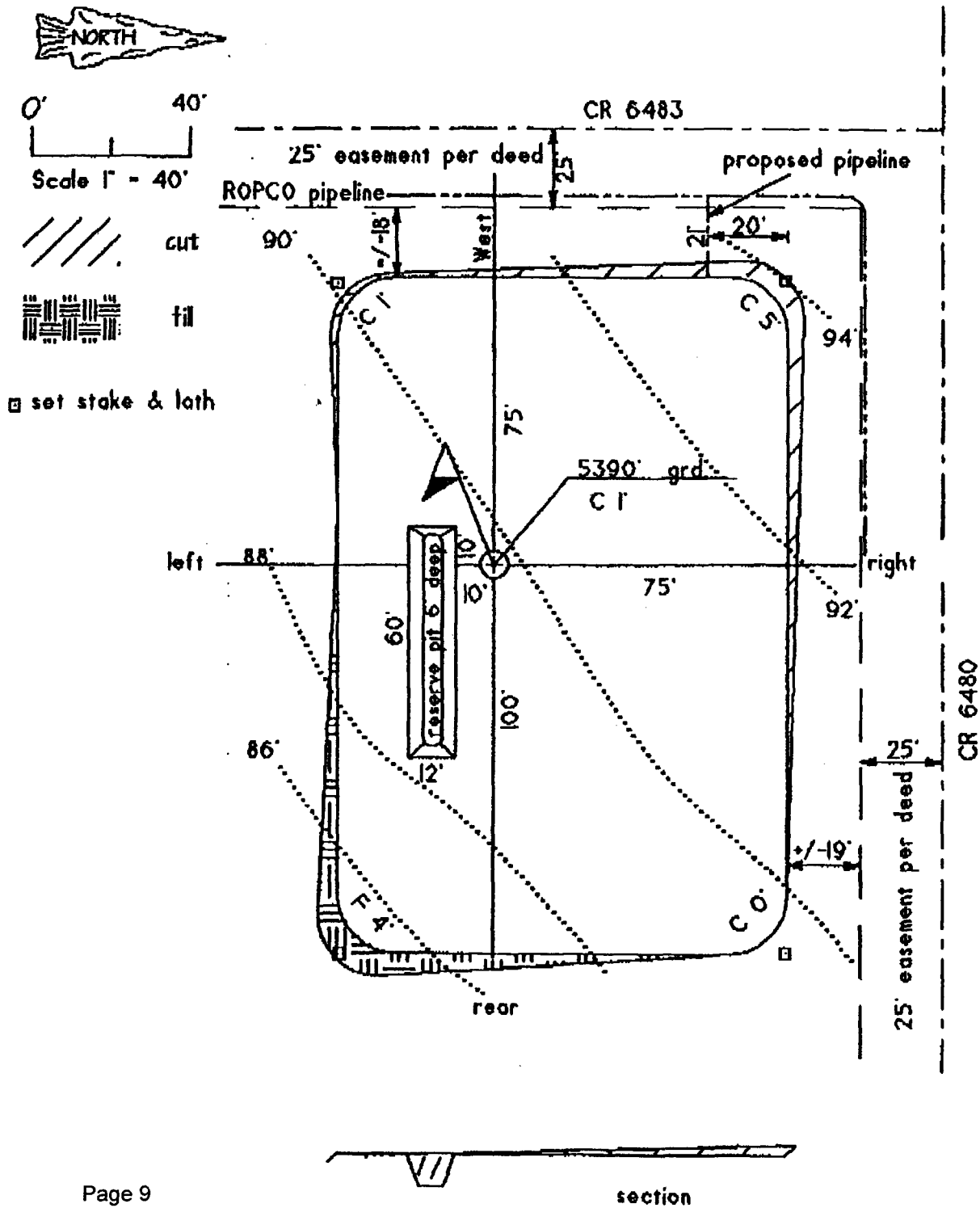
Richardson Operating Company has the necessary consents from the proper lease owners to conduct lease operations in conjunction with this well. Bond coverage is pursuant to 43 CFR 3104 for lease activities and operations are being provided by Richardson Operating Company.

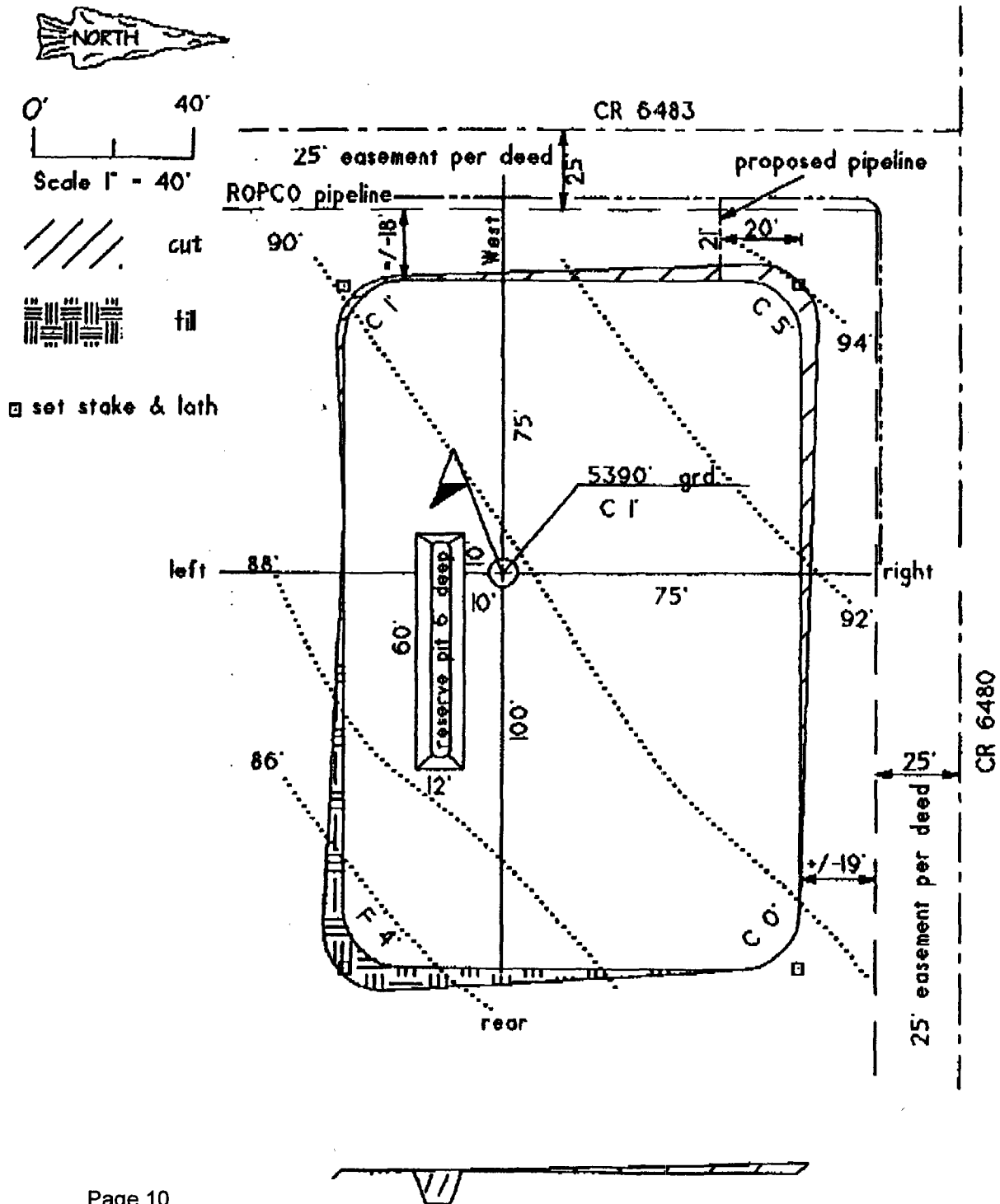
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Richardson Operating Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to provisions of 18 USC 1001 for the filing of a false statement.



Operations Manager

June 24, 2003

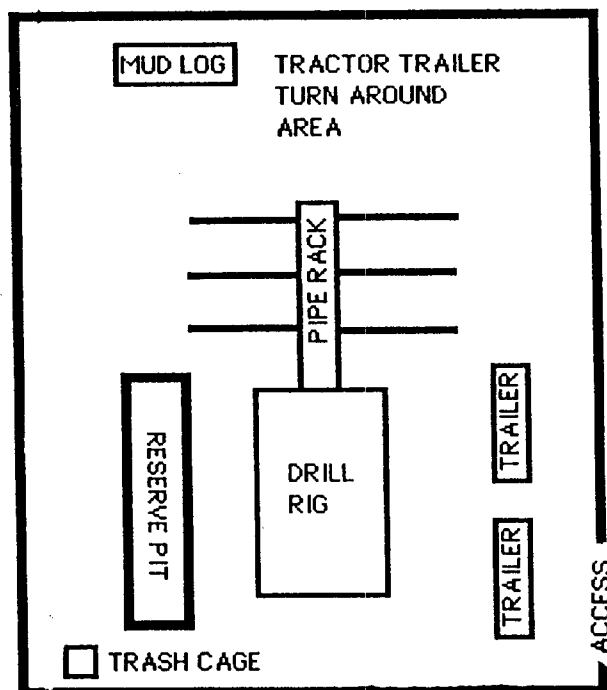




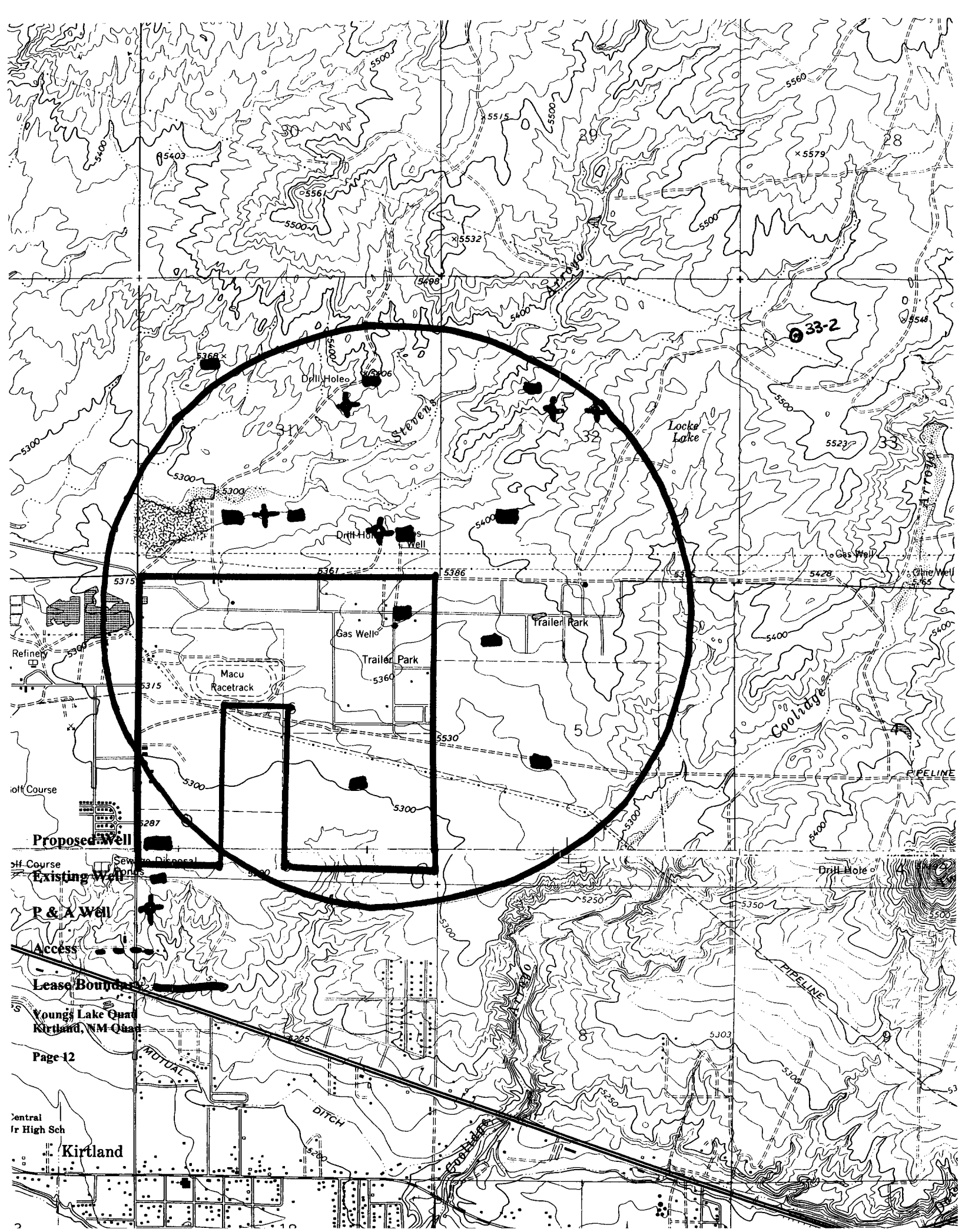
7

WELL SITE LAYOUT
RICHARDSON OPERATING COMPANY
WF FEDERAL 6 #2
745' FNL & 544' FEL
SECTION 6, TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM
SAN JUAN COUNTY, NEW MEXICO

PAGE 11



NORTH



Proposed Well

Existing Well

P & A Well

Access

Lease Boundary

Young's Lake Quad

Kirtland, NM Quad

Page 12

Central Jr High Sch

Kirtland