



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

January 15, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Richardson Operating Company
c/o Permits West, Inc.
37 Verano Loop
Santa Fe, New Mexico 87505
Attention: Brian Wood

Administrative Order NSL-4686

Dear Mr. Wood:

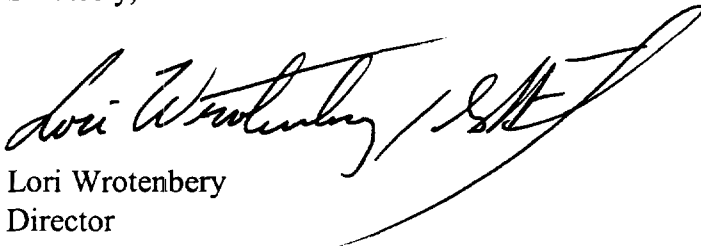
Reference is made to the following: (i) your application on behalf of the operator, Richardson Operating, Inc. ("Richardson"), that was submitted to the New Mexico Oil Conservation Division ("Division") on December 26, 2001 (*application reference No. pKRV0-136545477*); and (ii) the Division's records in Santa Fe and Aztec: all concerning Richardson's request to drill its proposed RPC "17" Well No. 4 (**API No. 30-045-30955**) at an unorthodox Pictured Cliffs gas well location 562 feet from the South line and 1392 feet from the East line (Unit O) of Section 17, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico.

The SE/4 of Section 17 is to be dedicated to this well in order to form a standard 160-acre gas spacing and proration unit for the West Kutz-Pictured Cliffs Pool (**79680**).

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Pictured Cliffs gas well location is hereby approved.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec