



RICHARDSON PRODUCTION COMPANY

1700 Lincoln, Suite 1700
Denver, Colorado 80203 (303) 830-8000
Fax (303) 830-8009

June 14, 2001

Ms. Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Energy, Mineral &
Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

Re: Case No. 12599, Order No. R-11582
ROPCO 9-3 Well
W/2-Section 9-T29N-R14W
San Juan County, New Mexico

Dear Ms. Wrotenbery:

In accordance with the captioned Order, enclosed are copies of estimated costs to drill and complete the captioned well, which have been sent to all non-consenting working interest owners.

Please let us know if you need anything further in this regard.

Sincerely,

RICHARDSON PRODUCTION COMPANY

Cathleen Colby
Land Manager



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June 14, 2001

Dr. William A. Hall
416 N. Behrend
Farmington, NM 87401

Re: Fruitland Coal/Pictured Cliffs Well Proposal
ROPCO #9-3 Well
W/2-Section 9-T29N-R14W
San Juan County, New Mexico

Dear Dr. Hall:

Enclosed is copy of New Mexico Oil Conservation Division Case No. 12599, Order No. R-11582, pertaining to your interest in the captioned well. Also enclosed for your review, is an AFE itemizing the estimated costs for drilling and completing said well.

In the event you elect to participate as a working interest owner in the drilling and completion attempt, please forward your share of the estimated well costs within 30 days from the date hereof. In the alternative, you may be designated as a non-consenting working interest owner as provided for in the Order.

Should you have any questions, feel free to write or call.

RICHARDSON PRODUCTION COMPANY

Cathleen Colby
Land Manager

**RICHARDSON OPERATING COMPANY
AUTHORITY FOR EXPEDITURES**

REVISED 10/3/00

Well Name: ROPCO #9-3 SECTION 9 PC SW/4. FC W/2
Location: T29N R14W
Proposed Depth: 900' Fruitland Coal
1200' Pictured Cliffs

Date: 10/03/2000
Objective Formation: Commingled Pictured Cliffs
and Fruitland Coal

I. Drilling Costs (Included Run Casing)

Survey and Permits
Title Opinion
* Drilling (incl. water and mud) 1200' @ 15.00/ft. ...
BOP Rental
Dirt Work
Pit Lining
Surface Casing 200' @ 7.18/ft.
Casing Head
Cement Surface
Power Tongs
Casing 1200' @ 5.50/ft.
Trucking
Logs
Engineering
Cement Longstring
Total Cost to Run Casing
5.9375% Farmington, NM Tax
10% Contingency
Grand Total to Run Casing

Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	3,000		1,500	1,500
	3,000		1,500	1,500
	18,000		6,750	11,250
	750		375	375
	4,000		2,000	2,000
	2,800		1,400	1,400
1,436			718	718
1,500			750	750
	2,300		1,150	1,150
	1,000		500	500
6,600			2,475	4,125
	3,000		1,500	1,500
	3,750		1,875	1,875
	5,000		2,500	2,500
	4,000		1,500	2,500
9,536	50,600	60,136	26,493	33,643
		3,571	1,573	1,998
		6,371	2,807	3,564
		70,077	30,873	39,205

II. Completion Costs

Rig Anchors
Logs
Perf
Wellhead & Fittings
Tubing 1200' @ 2.50/ft.
Stimulation
Tool Rental
Trucking
Battery Installation
Restore Location
Engineering
Treater, Separator
Flowline
Tank & Fittings
Gravel
Workover Rig
Completion Fluids
Pipeline Hookup
Division Order Opinion
Frac Tank Rental
Flowback
Fence Location
Total Completion Costs
5.9375% Farmington, NM Tax
10% Contingency
Drilling Costs
Grand Total Well Costs

	750		375	375
	3,000		1,500	1,500
	3,500		1,750	1,750
4,000			2,000	2,000
3,000			1,125	1,875
	42,000		21,000	21,000
	2,300		1,150	1,150
	3,000		1,500	1,500
	6,000		3,000	3,000
	3,500		1,750	1,750
	5,800		2,900	2,900
5,300			2,650	2,650
4,000			2,000	2,000
4,500			2,250	2,250
	3,000		1,500	1,500
	10,000		5,000	5,000
	2,000		1,000	1,000
	13,000		6,500	6,500
	1,500		750	750
	2,500		1,250	1,250
	2,000		1,000	1,000
3,300			1,650	1,650
24,100	103,850	127,950	63,600	64,350
		7,597	3,776	3,821
		13,555	6,738	6,817
		70,077	30,873	39,205
		219,179	104,986	114,192

FRUITLAND COAL

96.875% RICHARDSON OPERATING CO ET AL
3.125% DR. WILLIAM A. HALL

DATE _____
DATE _____

APPROVED _____
APPROVED _____

\$101706
\$3281
FC TOTAL \$104986

PICTURED CLIFFS

93.75% RICHARDSON OPERATING CO ET AL
6.25% DR. WILLIAM A. HALL

DATE _____
DATE _____

APPROVED _____
APPROVED _____

\$107055
\$7137
PC TOTAL \$114192
HALL TOTAL \$10418