

HOLLAND & HART <sup>LLP</sup>  
AND  
CAMPBELL & CARR  
ATTORNEYS AT LAW

DENVER • ASPEN  
BOULDER • COLORADO SPRINGS  
DENVER TECH CENTER  
BILLINGS • BOISE  
CHEYENNE • JACKSON HOLE  
SALT LAKE CITY • SANTA FE  
WASHINGTON, D.C.

SUITE 1  
110 NORTH GUADALUPE  
SANTA FE, NEW MEXICO 87501-6525  
MAILING ADDRESS  
P.O. BOX 2208  
SANTA FE, NEW MEXICO 87504-2208

TELEPHONE (505) 988-4421  
FACSIMILE (505) 983-6043  
www.hollandhart.com

January 30, 2001

**HAND-DELIVERED**

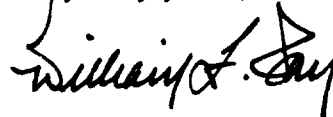
Lori Wrotenbery, Director  
Oil Conservation Division  
New Mexico Energy, Minerals &  
Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87504

Re: Application of Richardson Production Company for compulsory pooling, San  
Juan County, New Mexico

Dear Ms. Wrotenbery:

Enclosed in triplicate is the Application of Richardson Production Company in the above-referenced case as well as a copy of the legal advertisement. Richardson Production Company requests that this matter be placed on the docket for the February 22, 2001 Examiner hearings.

Very truly yours,



William F. Carr

Enclosures

cc: Ms. Cathleen Colby (w/enclosures)  
Land Manager  
Richardson Production Company  
1700 Lincoln, Suite 1700  
Denver, Colorado 80203

**STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE APPLICATION  
OF RICHARDSON PRODUCTION COMPANY,  
FOR COMPULSORY POOLING,  
SAN JUAN COUNTY, NEW MEXICO.**

**CASE NO. 12599**

**APPLICATION**

RICHARDSON PRODUCTION COMPANY ("Richardson"), through its undersigned attorneys, hereby makes application pursuant to the provisions of N.M.Stat. Ann. § 70-2-17, (1978), for an order pooling all mineral interests in all formations from the surface to the base of the Pictured Cliffs formation in the following described spacing and proration units located in Section 9, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Basin-Fruitland Coal Gas Pool; and the SW/4 for all formations and/or pools developed on 160-acre spacing which includes but is not necessarily limited to the Undesignated Twin Mounds Fruitland Sand-Pictured Cliffs Pool, and in support of its application states:

1. Richardson is a working interest owner in the W/2 of Section 9 and has the right to drill thereon.
2. Applicant proposes to dedicate the above-referenced spacing or proration units to its ROPCO Well No. 9-3 to be drilled at a standard location 1404 feet from the South line and 1508 feet from the West line of said Section 9.

3. Applicant has sought and been unable to obtain either voluntary agreement for pooling or farmout from the one interest owner in the W/2 of Section 9 identified on Exhibit A to this application.

4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and Richardson Operating Company should be designated the operator of the well to be drilled.

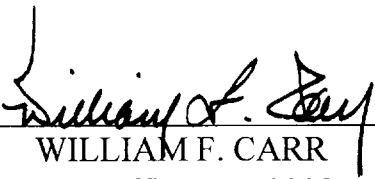
WHEREFORE, Richardson Production Company requests that this application be set for hearing before an Examiner of the Oil Conservation Division on February 22, 2001 and, after notice and hearing as required by law, the Division enter its order:

- A. pooling all mineral interests in the subject spacing and proration units,
- B. designating Richardson Operating Company operator of these units and the well to be drilled thereon,
- C. authorizing Richardson to recover its costs of drilling, equipping and completing the well,
- D. approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures, and
- E. imposing a penalty for the risk assumed by the Applicant in drilling and

completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP  
AND  
CAMPBELL & CARR

By:   
WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR RICHARDSON PRODUCTION  
COMPANY

**EXHIBIT A**

**APPLICATION OF RICHARDSON PRODUCTION COMPANY  
FOR COMPULSORY POOLING  
SECTION 9, TOWNSHIP 29 NORTH, RANGE 14 WEST  
SAN JUAN COUNTY, NEW MEXICO**

**NOTICE LIST**

William A. Hall  
416 North Behrend Avenue  
Farmington, New Mexico 87401

CASE 12599:

**Application of Richardson Production Company for compulsory pooling, San Juan County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation in the following described spacing and proration units in Section 9 Township 29 North, Range 14 West, NMPM, as follows: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Basin-Fruitland Coal Gas Pool; and the SW/4 for all formations and/or pools developed on 160-acre spacing which includes but is not necessarily limited to the Undesignated Twin Mounds Fruitland Sand-Pictured Cliffs Pool. Said units are to be dedicated to the ROPCO Well No. 9-3 to be drilled at a standard location 1404 feet from the South line and 1508 feet from the West line of said Section 9. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Richardson Operating Company as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 1 mile northeast of Kirtland, New Mexico.