



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

June 14, 2001

<u>JUN 1 8 2001</u>

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

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Re: Case No. 12644. Order No. R-11578 ROPCO 8-4 Well SE/4-Section 8-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,

Cathleen Colling

Cathleen Colby Land Manager



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

June 14, 2001

Ms. Julia Clah P.O. Box 762 Shiprock, New Mexico 87420

Re: Pictured Cliffs Well Proposal ROPCO #8-4 Well SE/4-Section 8-T29N-R14W San Juan County, New Mexico

Dear Ms. Clah:

Enclosed is copy of New Mexico Oil Conservation Division Case No. 12644, Order No. R-11578, 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.

Cathleen Colly

Cathleen Colby Land Manager

Well Name: ROPCO 8-4 SECTION 8-SE/4 Location: T29N R14W, San Juan County, NM Proposed Depth: 1200'

Date: 01/15/2001 Objective Formation: Pictured Cliffs

	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Actual
	Survey and Permits		3,000		
	Title Opinion.		1,500]	
	Drilling (incl. water and mud) 1200' @ 15.00/ft.		18,000		
	BOP Rental		750		
	Dirt Work		4,000		
	Pit Lining		2,800		
	Surface Casing 200' @ 7.18/ft.	1,436		1	
	Casing Head	1,500			
	Cement Surface		2.300		
	Power Tongs		1,000		
	Casing 1200' @ 5.50/ft.	6.600	1.000		
		0.000	3.000	ľ	
			3,500		
			3,000		
	Engineering		4.000		
			and the second secon	56.005	
	Total Cost to Run Casing	9,536	46.850	56.386	
	5.9375% Farmington, NM Tax			3,348	
	10% Contingency			5,973	
	Grand Total to Run Casing			65,707	
Ι.	Completion Costs				
	Rig Anchors		750		
	Logs		2.500		
	Perf		2.000		
	Wellhead & Fittings	4,000			
	Tubing 1200' @ 2.50/ft.	3,000			
	Stimulation		22,000		
	Tool Rental		2,300		
			3,000		
	Battery Installation		6,000		
	Restore Location		3,500		
	Engineering		3,250		
	Treator, Separator	5,300	0.200		
	Flowline	4,000			
	Tank & Fittings	4.500	1		
	Gravel	3.000			
	Workover Rig-	3.000	5.000		
	Completion Fluids		1,000		
			1,000		
	Pipeline Hookup		13,000		
	• •		1.250		
	Frac Tank Rental				
		2 200	1,000		
	Fence Location	3,300		0.1.650	
	Total Completion Costs	27,100	67.550	94.650	
	5.9375% Farmington, NM Tax			5,620	
	10% Contingency			10,027	
	Drilling Costs			65,707	
	Grand Total Well Costs			176,004	

	B////C	
0.0906% JULIA CLAH	DATE	APPROVED

\$175,845 \$160 \$176.004



1700 Linco:n, Suite 1700 Denver, Colorado 80203 (303) 830-8000 Fax (303) 830-8009

June 14, 2001

Mrs. Callie P. Renfro #2 County Road 6212 Kirtland, New Mexico 87417

Re: Pictured Cliffs Well Proposal ROPCO #8-4 Well SE/4-Section 8-T29N-R14W San Juan County, New Mexico

Dear Mrs. Renfro:

Enclosed is copy of New Mexico Oil Conservation Division Case No. 12644. Order No. R-11578, 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.

Cathleen Colly

Cathleen Colby Land Manager

Well Name: ROPCO 8-4 SECTION 8-SE/4 Location: T29N R14W, San Juan County, NM Proposed Depth: 1200'

Date: 01/15/2001 Objective Formation: Pictured Cliffs

ł .	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Actual
	Survey and Permits		3.000		
	Title Opinion · · · · · · · · · · · · · · · · · · ·		1,500		
	Drilling (incl. water and mud) 1200' @ 15.00/ft.		18,000		
	BOP Rental		750		
	Dirt Work		4.000		
	Pit Lining		2,800		
	Surface Casing 200' @ 7.18/ft.	1,436			
	Casing Head.	1,500			
	Cement Surface		2,300	1	
	Power Tongs		1,000		
	Casing 1200' @ 5.50/ft.	6,600			
	Trucking		3,000		
			3.500		
	Engineering		3,000		
	Cement Longstring-		4.000		
	Total Cost to Run Casing	9,536	46.850	56,386	
	5.9375% Farmington, NM Tax	5,000	-0.030	3,348	
	10% Contingency			5.973	
	G X		}		
	Grand Total to Run Casing			65,707	
11.	Completion Costs		750		
	Rig Anchors.		750		
	Logs		2,500		
	Perf		2.000		
	Wellhead & Fittings	4,000			
	Tubing 1200' @ 2.50/ft.	3,000			
	Stimulation		22.000		
	Tool Rental		2,300		
	Trucking.		3,000		
	Battery Installation		6.000		
	Restore Location-		3,500		
	Engineering		3.250		
	Treator, Separator	5,300			
	Flowline	4,000			
	Tank & Fittings	4,500			
	Gravel	3,000			
	Workover Rig.		5.000		
	Completion Fluids		1.000		
	Division Order Opinion		1,000		
	Pipeline Hookup		13.000		
	Frac Tank Rental		1.250		
	Flowback		1.000		
	Fence Location	3,300			
	Total Completion Costs	27,100	67.550	94.650	
	5.9375% Farmington, NM Tax			5.620	
	10% Contingency			10,027	
	Drilling Costs			65,707	
	Grand Total Well Costs			176,004	
	Grand I dial Well Costs			170,004	

99.7656% RICHARDSON OPERATING COMPANY	DATE	4PPROVED	 \$175,592
0.2344% LOWELL E. RENFRO	DATE	APPROVED	 \$413
CALLIE P. RENFRO	DATE	APPROVED	

\$176,004



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

June 14. 2001

Mr. and Mrs. Joe G. Singleton P.O. Box 1665 Kirtland, New Mexico 87417

Re: Pictured Cliffs Well Proposal ROPCO #8-4 Well SE/4-Section 8-T29N-R14W San Juan County, New Mexico

Dear Mr. and Mrs. Singleton:

Enclosed is copy of New Mexico Oil Conservation Division Case No. 12644, Order No. R-11578, 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.

Cathleen Colly

Cathleen Colby Land Manager

Well Name: ROPCO 8-4 SECTION 8-SE/4 Location: T29N R14W, San Juan County, NM Proposed Depth: 1200'

Date: 01/15/2001 Objective Formation: Pictured Cliffs

1.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Actual
	Survey and Permits		3,000		
	Title Opinion		1,500		
	Drilling (incl. water and mud) 1200' @ 15.00/ft. · · ·		18.000		
	BOP Rentai		750	1	
	Dirt Work		4,000		
	Pit Lining.		2,800	1	
	Surface Casing 200' @ 7.18/ft.	1,436			
	Casing Head	1,500			
	Cement Surface		2,300		
	Power Tongs		1,000	j	
	Casing 1200' @ 5.50/ft.	6.600			
	Trucking.		3.000	{	
	Logs		3.500		
	Engineering		3,000	ļ	
	Cement Longstring.		4,000		
	Total Cost to Run Casing	9,536	46,850	56,386	
	5.9375% Farmington, NM Tax			3,348	
	10% Contingency			5,973	
	Grand Total to Run Casing			65,707	
1.	Completion Costs			00,101	
	Rig Anchors		750	ļ	
	Logs.		2,500		
	Perf		2.000	[
	Wellhead & Fittings	4.000	2.000		
	Tubing 1200' @ 2.50/ft.	3.000			
	Stimulation	5.000	22.000		
	Tool Rental		2,300		
			3.000		
	Battery Installation		6.000		
	Restore Location		3,500		
	Engineering		3,300	[
	Treator, Separator	5.300	5.250		
	Flowline	4,000			
	Tank & Fittings	4.500			
	Gravel	3,000			
	Workover Rig	5,000	5,000		
	Completion Fluids-		1.000		
	Division Order Opinion		1,000		
	Pipeline Hookup		13,000		
	Frac Tank Rental		1.250		
	Flowback		1,000		
	Fince Location	3,300	1,000		
				24.652	
	Total Completion Costs	27.100	67.550	94,650	
	5.9375% Farmington, NM Tax			5,620	
	10% Contingency			10,027	
	Drilling Costs			65,707	
	Grand Total Well Costs			176,004	

99.4375% RICHARDSON OPERATING COMPANY	DATE	APPROVED	 \$175,014
0.5625% JOE G. SINGLETON	DATE	APPROVED	 \$990
PATRICIA B SINGLETON	DATE	APPROVED	
			5176,004



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

June 14, 2001

Mr. Ronald J. Johnson and Ms. Leona R. Begay P.O. Box 3517 Shiprock, New Mexico 87420-3517

Re: Pictured Cliffs Well Proposal ROPCO #8-4 Well SE/4-Section 8-T29N-R14W San Juan County, New Mexico

Dear Mr. Johnson and Ms. Begay:

Enclosed is copy of New Mexico Oil Conservation Division Case No. 12644, Order No. R-11578, 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.

Cathleen Collag

Cathleen Colby Land Manager

Well Name: ROPCO 8:4 SECTION 8:SE/4 Location: T29N R14W, San Juan County, NM Proposed Depth: 1200'

Date: 01/15/2001 Objective Formation: Pictured Cliffs

1.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Actual
	Survey and Permits		3,000		
	Title Opinion		1.500		
	Drilling (incl. water and mud) 1200' @ 15.00/ft.		18,000	1	
	BOP Rental		750	1	
			4,000		
		1.420	2.800		
	Surface Casing 200' @ 7.18/ft.	1,436			
	Casing Head	1,500	2 200		
			2,300		
	Power Tongs Casing 1200' @ 5.50/ft.	6,600	1.000		
		0,000	2 000		
	Trucking		3.000		
	Engineering		3.500 3.000		
	Cement Longstring		4.000	Í	
		9,536	46,850	56 296	
	Total Cost to Run Casing	9,000	40.000	56,386 3,348	
	5.9375% Farmington, NM Tax 10% Contingency			5,973	
				the second s	
II.	Grand Total to Run Casing			65,707	
11.	Completion Costs Rig Anchors		750		
	-		2.500		
	Logs		2.000		
	Perf	4,000	2.000		
		3,000			
	Tubing 1200' @ 2.50/ft.	3,0001	22,000		
			2,300		
			3.000		
	Battery Installation		6.000		
	Restore Location-		3.500		
			3.250		
	Treator, Separator	5 300	3.230		
	Flowline	4.000			
	Tank & Fittings	4,500			
	Gravel	3.000			
	Workover Rig	0.000	5,000		
	Completion Fluids		1.000		
	Division Order Opinion		1.000		
	Pipeline Hookup		13.000		
	Frac Tank Rental		1,250		
	Flowback		1,000		
	Fence Location	3.300		ł	
	Total Completion Costs	27,100	67.550	94,650	
	5.9375% Farmington, NM Tax	27,1001	07.000	5,620	
	10% Contingency			10,027	
	Drilling Costs			65,707	
	Grand Total Well Costs			176.004	

99.9094% RICHARDSON OPERATING COMPANY	DATE	APPROVED	 \$175,845
0.0906% RONALD J. JOHNSON	DATE	APPROVED	 \$160
LEONA R. BEGAY	DATE	APPROVED	

\$176,004



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

June 14, 2001

Mr. Myron E. Shorty and Ms. Vangie Randall #1 County Road 6212 Kirtland, New Mexico 87417

Re: Pictured Cliffs Well Proposal ROPCO #8-4 Well SE/4-Section 8-T29N-R14W San Juan County, New Mexico

Dear Mr. Shorty and Ms. Randall:

Enclosed is copy of New Mexico Oil Conservation Division Case No. 12644, Order No. R-11578, 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.

Cathleen Collaz

Cathleen Colby Land Manager

Well Name: ROPCO 8-4 SECTION 8-SE/4 Location: T29N R14W, San Juan County, NM Proposed Depth: 1200'

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

Date:	01/15	/2001
Objective	Formation:	Pictured Cliffs

Intangible	Total	Actual
3,000		
2.000		
2.300		
1.000		
2 000		
4.000		
46.850	56,386	
	3,348	
	5.973	
	65,707	
750		
3,250		
5,000		
1.000		
1,000		
13,000	ľ	
1,000		
67 550	94,650	
0,,000	5,620	
	10,027	
	176.004	
	1.500 18,000 750 4.000 2.800 2.300 1.000 3.000 3.000 46.850 750 2.500 2.500 2.000 2.300 3.000 6.000 3.500 3.250 3.250 5.000 1.000	1.500 18,000 750 4.000 2.800 3.000 3.000 3.000 4.000 46.850 56,386 3.348 5.973 65,707 750 2.500 2.000 2.2000 2.300 3.000 6,000 3.500 3.250 3.300 6,000 3.500 3.250 3.250 3.300 6,000 3.500 3.250 3.250 3.250 3.300 6,000 3.500 3.250 3

PICTURED CLIFFS

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99.7578% RICHARDSON OPERATING COMPANY	DATE	APPROVED	 \$175,578
0.2422% MYRON E. SHORTY	DATE	APPROVED	 \$426
VANGIE RANDALL	DATE	APPROVED	
			\$176.004



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

June 14, 2001

Mr. and Mrs. William Crosby, Jr. P.O. Box 686 Waterflow, New Mexico 87421

Re: Pictured Cliffs Well Proposal ROPCO #8-4 Well SE/4-Section 8-T29N-R14W San Juan County, New Mexico

Dear Mr. and Mrs. Crosby:

Enclosed is copy of New Mexico Oil Conservation Division Case No. 12644, Order No. R-11578, 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.

Cathleen Colly

Cathleen Colby Land Manager

Well Name: ROPCO 8:4 SECTION 8-SE/4 Location: T29N R14W, San Juan County, NM Proposed Depth: 1200'

Date: 01/15/2001 Objective Formation: Pictured Cliffs

•	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Actual
	Survey and Permits · · · · · · · · · · · · · · · · · · ·		3.000		
	Title Opinion · · · · · · · · · · · · · · · · · · ·		1.500		
	Drilling (incl. water and mud) 1200' @ 15.00/ft.		18.000		
	BOP Rental		750		
	Dirt Work		4,000		
	Pit Lining		2.800		
	Surface Casing 200' @ 7.18/ft.	1,436	2.000		
	Casing Head.	1.500			
	Cement Surface	1,500	2.300		
	Power Tongs				
	3	C (00)	1.000		
	Casing 1200' @ 5.50/ft	6,600	2 000		
	Trucking		3,000		
	Logs		3.500		
	Engineering		3.000		
	Cement Longstring.		4.000		
	Total Cost to Run Casing	9.536	46.850	56,386	
	5.9375% Farmington, NM Tax			3,348	
	10% Contingency			5,973	
	Grand Total to Run Casing			65,707	
	Completion Costs		4 10 10 10 10 10 10 10 10 10 10 10 10 10	00,107	
•	Rig Anchors.		750		
			2,500		
	Perf		1		
		1.000	2,000		
	Wellhead & Fittings	4,000	5		
	Tubing 1200' @ 2.50/ft.	3,000			
	Stimulation		22.000		
	Tool Rental		2.300		
	Trucking		3,000		
	Battery Installation-		6.000		
	Restore Location		3.500		
	Engineering.		3.250		
	Treator, Separator	5,300			
	Flowline	4,000			
	Tank & Fittings	4.500			
	Gravel	3,000			
	Workover Rig		5.000		
	Completion Fluids		1.000		
	Division Order Opinion		1.000		
	Pipeline Hookup		13,000		
	Frac Tank Rental		1.250		
	Flowback		1.000		
	Fence Location	3.300	1.000		
				04.650	
	Total Completion Costs	27.1001	67.550	94.650	
	5.9375% Farmington, NM Tax		ĺ	5,620	
	10% Contingency			10,027	
	Drilling Costs			65,707	
	Grand Total Well Costs			176.004	

99.7653% RICHARDSON OPERATING COMPANY	DATE	APPROVED	 \$175,591
0.2347% WILLIAM CROSBY, JR.	DATE	APPROVED	 \$413
ROSINDA CROSBY	DATE	APPROVED	