

RICHARDSON PRODUCTION COMPANY

1700 Lincoln, Suite 1700 Denver, Colorado 30203 (303) 830-8000 Fax (303) 830-8009

April 18, 2002

First National Bank of Iowa City, Iowa Trustee u/t/a dated August 6, 1966 P O Box 1880 Iowa City, IA 52244

Certified Mail 7000 1670 0006 8579 2237 Return Receipt Requested

RE: Case No. 12797, Order No. R-11759 RPC 17-3 Well (Fruitland Coal formation) S/2 Section 17, Township 29 North, Range 14 West RPC 17-3 Well (Pictured Cliff formation) SW/4 Section 17, Township 29 North, Range 14 West San Juan County, New Mexico

Gentlemen:

In accordance with paragraph number (6) of Order No. R-11759, enclosed is an Authority for Expenditure outlining the estimated costs to drill the RPC 17-3 well to the Pictured Cliffs formation, with completion in the Pictured Cliffs formation and when downhole commingling is approved completion in the Fruitland Coal formation.

According to paragraph number (6) of Order No. R11759 you have the right to pay the estimated well costs and become a working interest owner in the RPC 17-3 well.

Should you have any questions concerning the enclosure I can be contacted at the letterhead address, by telephone at (303) 830-8000 or by e-mail at <u>rvanblaricom@richardsonoil.com</u>.

Very truly yours,

Relecca E. Bu Blancin

Rebecca E. Van Blaricom Land Manager

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