

RICHARDSON PRODUCTION COMPANY

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

March 1, 2002

Mr. Wallace H. Yazzie

iplete items 1, 2, and 3. Also complete 4 if Restricted Delivery is desired. t your name and address on the reverse hat we can return the card to you. ion this card to the back of the mailpiece, on the front if space permits.	A. Received by (Please Annt Clearly) 8. Date of Delivery Signature Addressee Addressee O. Is delivery address clifferent from item 1? Yes No	il 7000 1670 000608579 2435 Return Receipt Requested
Cle Addressed to: Warlace H. Yazzii P. O. Bors 531 Kurlana NM 87417	If YES, anter delivery address delott. 3. Service Type	you asked me to commit to your minerals in the E/2 of
Leceland 10 11 11	☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.	Gas Lease with you covering
1000 1070 0000	4. Restricted Delivery? (Extra Fee) ☐ Yes 2435-00-M-0952	he Fruitland Coal formation, et mineral acres or 4/320-x
Form 3811, July 1999 Domestic	Return Receipt	nterest.

RPC has also offered to purchase your four (4) net mineral acres for \$70.00 per net mineral acre (\$280.00).

		Service I MAIL REC Inly; No Insurance (
21135			
579	Postage	S	
A 5.	Carufied Fee		Postmarx
	Return Receipt Fee (Engarsement Required)		Here
7000	Restricted Delivery Fee Endorsement Required)		
7.0	Total Postage & Fees	<u>. S</u>	·
1670	Sant To		
	Street, Apt. No.; or PO 3	iox No.	# 0
7000	City, State, ZIP-4		
-	PS Form 3800, May 2000		See Reverse for Instruction

pating in the drilling and completion of the ROPCO 7-interest ownership in the well would be 1.25%. If you he well you will receive 1.25% of the production from some time in the future when the well is no longer bandoned and the lands will be restored. At that time ging and abandoning the well and restoring the lands.

tions outlined above, RPC will go before the Oil Mexico seeking an order to "pool" the 320 acres in the for the pooling of the acreage associated with the thosen one of the options will be considered "None. During the payout of the penalty percentage a nonrest, proportionately reduced to his net mineral acres, senting owners will become working interest owners tional costs for the well, as well as their share of the trion of the land at a future date.

OIL CONSERVATION DIVISION

OIL CONSERVATION DIVISION

Case No. 12813 Exhibit No. 4

Case No. 12813 Exhibit No. 4

Submitted BY:

Submitted BY:

Richardson March 21, 2002

Hearing Date:

PEROPE TUE:

RICHARDSON PRODUCTION COMPANY

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

March 1, 2002

Mr. Wallace H. Yazzie P O Box 531 Kirtland, NM 87417

> Certified Mail 7000 1670 000608579 2435 Return Receipt Requested

RE:

ROPCO #7-1 Well

NW/4NE/4 Section 7, Township 29 North, Range 14 West

San Juan New Mexico

Dear Mr. Yazzie:

I enjoyed talking with you this morning. During our telephone conversation you asked me to commit to writing the effect of each of the options you have been offered relating to your minerals in the E/2 of Section 7, that is the Fruitland Coal spacing unit for the ROPCO 7-1 well.

Richardson Production Company ("RPC") has offered to enter into an Oil and Gas Lease with you covering your four (4) net mineral acres. RPC would pay you \$30.00 per net mineral acre or \$120.00. You would retain a 12.5% royalty interest and when the ROPCO 7-1 well is producing in the Fruitland Coal formation, you would be entitled to receive royalties on production based upon your net mineral acres or 4/320 x 12.5% (.00156250 royalty interest). The royalty interest is a non-cost bearing interest.

RPC has also offered to purchase your four (4) net mineral acres for \$70.00 per net mineral acre (\$280.00).

RPC has in addition offered you the option of participating in the drilling and completion of the ROPCO 7-1 well with your 4 net mineral acres. Your working interest ownership in the well would be 1.25%. If you elect to participate in the drilling and completion of the well you will receive 1.25% of the production from the Fruitland Coal formation. As we discussed, at some time in the future when the well is no longer economical to operate the well will be plugged and abandoned and the lands will be restored. At that time you will be responsible for 1.25% of the costs of plugging and abandoning the well and restoring the lands.

Should you not choose any of the three (3) options outlined above, RPC will go before the Oil Conservation Division ("OCD") of the State of New Mexico seeking an order to "pool" the 320 acres in the E/2 of Section 7. When the OCD grants an order for the pooling of the acreage associated with the Fruitland Coal production any party who has not chosen one of the options will be considered "Non-Consent". The OCD will impose a penalty percentage. During the payout of the penalty percentage a non-consenting owner will receive his 12.5% royalty interest, proportionately reduced to his ner mineral acres. After payour of the penalty percentage the non-consenting owners will become working interest owners and be responsible for their share of monthly operational costs for the well, as well as their share of the costs of plugging and abandoning the well and restoration of the land at a future date.

Mr. Wallace H. Yazzie March 1, 2002 Page Two

I am enclosing copies of the Oil and Gas Lease covering your 4 net mineral acres. Should you chose to enter into an Oil and Gas Lease with RPC please execute in the space provided and have your signature acknowledged before a notary public where indicated. I am enclosing a copy of the original letter sent to you on November 2, 2001 with the three (3) options and an attached Authority for Expenditure. Should you chose to participate in the drilling and completion of this well, please sign the Authority for Expenditure in the space provided and return one (1) copy to my attention. Should you chose to sell your minerals please indicate on the letter and return the election to my attention. For your convenience I am also enclosing a self-addressed and stamped envelope.

If you have any additional questions please do not hesitate to contact me.

Very truly yours,

Rebecca E. Van Blaricom

Reluces E. Mw Blancon

Land Manager

/revb Enclosures

Wallace H. Yazzie P O Box 531 Kirtland, NM 87417

Cartified Mail: 7000 1670 0006 8579 3562

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	Received by Please Arint Clearly B. Date of Delivery C. agnature X. Addressee
Article Addressed to:	D: Is delivery address different from item 1?
Vallace H. Yazzie	ed Fruitland Coal and
O Box 531	records indicates that
Cirtland, NM 87417	Certified Mail Registered Recaipt for Merchandise unit for the Fruitland
	4. Restricted Delivery? (Extra Fee)
2. Article Number (Copy from service label) 7000 1676 006 8519 3562	
PS Form 3811, July 1999 Domestic Re	19230-9-18-0326
MISH to harderhare in any	in executed copy of the
U.S. Postal Service	pon receipt of your executed AFE, or by prior
CERTIFIED MAIL REC	0 Joint Operating Agreement for your review
(Domestic Mail Only; No Insurance	300%/100% nonconsent penalty and \$5000
n .	
15.	son respectfully requests you elect one of the
Postage S	son respectivity requests you elect one or and
Certified Fee	Postmark
Aeturn Receiot Fee	Here
Restricted Delivery Fee	
iEndorsement Required)	-
Total Posti Wallace H. Yazzie	-
Wallace H. Yazzie P O Box 531	
Kirtland NM 87417	
Giv. State.	

11.4

Wallace H. Yazzie P O Box 531 Kirtland, NM 87417

Certified Mail: 7000 1670 0006 8579 3562

Re: Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1 Well

E/2-Section 7-T29N-R14W San Juan County, New Mexico

Dear Mr. Yazzie:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a 4.0 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

Wallace H. Yazzie November 2, 2001 Page 2

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
- 2. Sell all of your mineral interest for \$70.00 per net acre

Your response is respectfully requested by November 19, 2001.

Should you have any questions, please do not hesitate to call.

RICHARDSON PRODUCTION COMPANY

Sheila A. Frazier

Sheila A. Frazier, CPL

On this	day of	, 2001, we/I hereby elect the following:	
	Participate in propherewith.	posed drilling and completion attempt, executed AFE is	s returned
		d Gas Lease for \$30.00 per net mineral acre, with lease rimary term and 12.5% royalty in the event of production	•
	Sell mineral right	ts for \$70.00 per net mineral acre.	
Ву:		Ву:	
Printed Name:	:	Printed Name:	

RICHARDSON OPERATING COMPANY **AUTHORITY FOR EXPEDITURES**

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth:

530' Fruitland Coal

660' Pictured Cliffs

11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

1.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	1,500
	Title Opinion		3,000		1,500	1,500
	* Drilling (incl. water and mud) 660' @ 15.00/ft		9,900		3,975	5,92!
	BOP Rental	•	750		375	37!
	Dirt Work	-	4,000		2,000	2,000
	Pit Lining		2,800		1,400	
	Surface Casing 200' @ 7.18/ft	1,436	,		718	718
	Casing Head	1,500			750	750
	Cement Surface	-/	2,300		1,150	1,150
	Power Tongs		1,000		500	500
	.Casing 660' @ 5.50/ft	3,630	1,000		1,458	2,173
	Trucking		4,000		2,000	2,000
	Logs		5,000		2,500	2,500
	Engineering		5,000		2,500 2,500	2,500
	Cement Longstring		4,000		1,600	
		6 556	the same of the same of the same of the same of	F1 246		2,400
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	27,391
	5.9375% Farmington, NM Tax			3,047	1,421	1,626
	15% Contingency			5,436	2,535	2,902
	Grand Total to Run Casing			59,799	27,881	31,918
II.	Completion Costs		[
	Rig Anchors		750		375	375
	Logs	~	3,500	i	1,750	1,750
	Perf		3,500		1,750	1,750
	Wellhead & Fittings	5,000	,	j	2,500	2,500
	Tubing 660' @ 2.50/ft	1,650	1	j	663	988
	Stimulation		42,000		21,000	21,000
	Tool Rental	ļ	2,300		1,150	1,150
	Trucking		4,000		2,000	2,000
	Battery Installation	Ì	8,000	į	4,000	4,000
	Restore Location		4,500	1	2,250	2,250
	Engineering		6,500	Ì	3,250	3,250
	Treator, Separator	6,500	·	}	3,250	3,250
	Flowline	5,000	ł	ł	2,500	2,500
	Tank & Fittings	5,000	 		2,500	2,500
	Gravel	·	4,000		2,000	2,000
	Workover Rig	i	10,000		5,000	5,000
	Completion Fluids		2,000	1	1,000	1,000
	Pipeline Hookup	Į	13,000		6,500	6,500
	Division Order Opinion	ľ	2,000		1,000	1,000
	Frac Tank Rental	1	2,500		1,250	1,250
	Flowback	ĺ	2,000		1,000	1,230
	Fence Location	5,000	2,000		2,500	2,500
			110 550	120 700		
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	([8,235	4,108	4,127
	10% Contingency		1	14,694	7,330	7,364
	Drilling Costs		}	59,799	27,881	31,918
	Grand Total Well Costs			221,428	108,506	112,922

FRUITLAND COAL

98.906% RICHARDSON OPERATING CO ET AL 1.091% Wallace Yazzie

Approved by:	Date:	\$107319
Approved by:	Date:	\$1187
	FC TOTAL	\$108506

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% Wallace Yazzie

Approved by:	Date:	\$112922
Approved by:	Date:	\$
	DC TOTAL	******

Wallace Yazzie

OIL AND GAS LEASE

1118 AGUESMITH, mole and entered amo this 11 day of November 20.01, by mid below. 1108 AGUESMITH, mole and entered among the states of 1212 in the control of the control
hereby acknowledged, and the coverants and agreements betreinsthe contained, her panded, dentised, bessed and felt, and by flose presents done gand, dented and the case of a flower and the case of the provided of the panded of
Section 2: Tow (2) tracts of fast din SWASS/4, none proticelarly described on attached fabilitis "A" and containing A00
1. It is upsed that this laces abilit month in trees for a town it for (1) years from this date and a role of a shakener matter is the producted from a solid lead producted on the leads of the shakener of the tempt of the shakener matter is the shakener of the producted and the shakener matter is the shakener of the leads of the producted on the producted on the leads of the producted on the leads of the producted on the leads of the leads o
is produced from said leneed premises or un accept possible the exhibit, or defiling operations are continued in Interdentle provided. If, at the explanation of the primary to control of the face, or is on the primary produced on the tested premise or one access possible threwith but Jezenes is tune expend in the convolution of the primary produced and the steed premises of non-access from an expension of the primary produced and the primary procedured if not un one than minery (07) days shall chapte believes the completion or almostrometric of one well mell the primary primary to the primary produced and the primary produced the exist (in If the discovery of oil or gas on said and or on accessing peopled therewith, the control of the primary primary to the
oil produced and saved from the lessed premites. Are the part is now eighth (17%) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premites, and it used in the manufacture of gasodine a royalty of one-cipith (178), payable monthly at the prevailing market rate for gas. Are the part of the part o
4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royally for the royally owners One Dollar per year per may have are relational tenemore, such payment or tender to be made on or before the insurversary date of this leave need this leave need to this leave the distance of this leave the first of the support of the control of the c
6. Lessee shall have the right to use, free of cost, gae, oil and water produced on said land for Lessee's operation thereon, except water from the wells of the state of the
9. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land. 10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing. 11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise, shall be binding on Lessee. No present or future division of Lessor's awnership as to different made. No other kind of motice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's awnership as to different made. No other kind of motice, whether actual or constructive, and the binding on Lessee. No present or future division of Lessor's awnership as to different portions or purcels of said hand shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's appearations may be conducted without regard to any store division. If all or any part of this lesse is assigned, no leasehold owner. 12. Lessee, at its option is bereby given the right and power at my time and from time to time as a recurring right, either before or after production, as to all our part of the leand described herein and as to rany one or more of the farmations hereunder, to pool or unitize the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in the Lessee's higher than the accomplished by Lessee cerecuring and filting of record of accharation of such middering similar to this exists with unitie declaration and leases. Likewise, units previously farmed to include formations not production, of a declaration or reformation or reformation shall describe the unit, Any unit rasy include land upon which a well has therefore been completed or upon which operations for drilling and town of a market number of surface access dista
12. Lessee, at its option is bereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to poor unitize the leasthold estate and the mineral estate envered by this lease with other land, lease or leases. Each of the land is expected to include formations not producing oil or gas, may be reformed to this exists with respect to such other land, lease or leases. Eakewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such enverted on the land, lease or leases. Eakewise, units a minuted land upon which a well has therefore been completed or upon which operations for drilling hor herefore been completed by Lessee executing and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or recowking operations or a well shut in for want of a market under this lease. In fitte or of the royalties perceited, including subtining as royalties, Lesson shall receive on production from the unit so pooked royalties only in the portion of such production allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this fease and included in the unit so the total number of surface acres covered by this fease and included in the unit so to the total number of surface acres covered by this fease and included in the unit so to the total number of surface acres in such to decrease the such as a surface acres of the production and the surface acres of the production and the surface acres of the production and the production and provide the production and providence of the formations thereunder with the filling off
not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation. 14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein. 15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who lo execute it as Lessor. The word "Lessor" as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of his lease shall be binding on the heirs, successors and assigns of Lessor and Lessee. IN WITNESS WHEREOF, this instrument is executed as of the date first above written.
Tax ID No.:

Tox ID No.:_

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated November 1st, 2001 between Wallace II. Yazzie, a single man, and Richardson Production Company.

Township 29 North, Range 14 West, N.M.P.M.

Section 7:

2.00 acres, more or less, in the Southwest Quarter of the Southeast Quarter (SW/4SE/4) of said Section 7, described as follows:

BEGINNING North 00 degrees 45' East 1010.87 feet from the Southwest corner of said SW/4SE/4;

THENCE North 00 degrees 45' East 225.23 feet; THENCE North 89 degrees 30' East 385.32 feet;

THENCE South 225.21 feet;

THENCE South 89 degrees 30' West 388.28 feet to the point of beginning Containing 2.00 acres, more or less,

AND

2.00 acres, more or less, in the Southwest Quarter of the Southeast Quarter (SW/4SE/4) of said Section 7, described as follows:

BEGINNING North 00 degrees 45' East 787.31 feet from the Southwest corner of said SW/4SE/4;

THENCE North 00 degrees 45' East 223.56 feet;

THENCE North 89 degrees 30' East 388.28 feet'

THENCE South 223.54 feet;

THENCE South 89 degrees 30' West 391.21 feet to the point of beginning Containing 2.00 acres, more or less

END OF EXHIBIT "A"

James Spade and Rita Spade #13 CR 6427 Kirtland, NM 87417

SENDER: COMPLETE THIS SE	ECTION COMPLETE THIS SI	ECTION ON DELIVERY.
Re: Complete items 1, 2, and 3. A item 4 if Restricted Delivery is Print your name and address so that we can return the card Attach this card to the back or or on the front if space permit	desired. on the reverse to you. f the mailpiece, s.	Se Print Clearly) B. Date of Delivery POOL
Article Addressed to:	11	ery address below: No
I James Spade and Rita Spade #13 CR 6427 Kirtland, NM 87417	3. Service Type A Certified Mail	☐ Express Mail 31 and ☐ Return Receipt for Merchandise 35 that
F yoù	☐ Registered☐ Insured Mail	Return Receiot for Merchandise S that C.O.D. 7-1
wel'	4. Restricted Deliver	, , ,
Frui: 2 Article Number (Copy from service form 20 5 - 2811)	8577 3098	, 'iffs
PS Form 3811, July 1999	Domestic Return Receipt	102595-00-M-0952
U.S. Postal Service CERTIFIED MAIL REC (Domestic Mail Only; No Insurance	celPT ttempt, ple coverage Provided pon receip 0 Joint O	costs for the well. In the event you ease return an executed copy of the of your executed AFE, or by priperating Agreement for your review nonconsent penalty and \$5000.
Postage S		
L⊓ Cartified r ⇔	Postmark Son respe	ctfully requests you elect one of th
Return Receipt F== T (Endorsement Required)		
Restricted Delivery Fite Endorsement Required		
James Spade and Rita #13 CR 6427	Spade	

James Spade and Rita Spade #13 CR 6427 Kirtland, NM 87417

Certified Mail: 7000 1670 0006 8579 3098

Re:

Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1 Well

E/2-Section 7-T29N-R14W San Juan County, New Mexico

Dear Mr. & Mrs. Spade:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .520 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

James Spade and Rita Spade November 2, 2001 Page 2

1.	Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
2.	Sell all of your mineral interest for \$70.00 per net acre
Your response	is respectfully requested by November 19, 2001.

RICHARDSON PRODUCTION COMPANY

Should you have any questions, please do not hesitate to call.

Sheila A. Frazier

Sheila A. Frazier, CPL

On this	day of	, 2001, we/I hereby elect the following:
	Participate in propherewith.	posed drilling and completion attempt, executed AFE is returned
	•	Gas Lease for \$30.00 per net mineral acre, with lease to provide imary term and 12.5% royalty in the event of production.
	Sell mineral rights	s for \$70.00 per net mineral acre.
Ву:		By:
Printed Nan	ne:	Printed Name:

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth:

530' Fruitland Coal

660' Pictured Cliffs

Date:

11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	1,500
	Title Opinion	-	3,000	Ì	1,500	1,500
	* Drilling (incl. water and mud) 660' @ 15.00/ft		9,900		3,975	5,925
	BOP Rental		750	[375	375
	Dirt Work	-	4,000		2,000	2,000
	Pit Lining		2,800		1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436			718	718
	Casing Head	1,500	ľ		750	750
	Cement Surface		2,300		1,150	1,150
	Power Tongs		1,000	j	500	500
	Casing 660' @ 5.50/ft	3,630		i	1,458	2,173
	Trucking	-	4,000	ŀ	2,000	2,000
	Logs		5,000	Į.	2,500	2,500
	Engineering		5,000		2,500	2,500
	Cement Longstring		4,000		1,600	2,400
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	27,391
	5.9375% Farmington, NM Tax	0,000	.,,,,,,,,	3,017	1,421	1,626
	15% Contingency			5,436	2,535	2,902
	Grand Total to Run Casing	1	-	59,799	27,881	31,918
II.	Completion Costs	į		33,733	27,001	31,310
44.	Rig Anchors		750	-	375	375
	Logs	_	3,500	ĺ		
	Perf		· •	1	1,750	1,750
	Wellhead & Fittings	5,000	3,500	ļ	1,750	1,750
		1,650		1	2,500	2,500
	Tubing 660' @ 2.50/ft	1,050	42.000		663	988
	· ·	-	42,000	ļ	21,000	21,000
	Tool Rental	1	2,300		1,150	1,150
	Trucking	•	4,000	-	2,000	2,000
	Battery Installation	}	8,000	1	4,000	4,000
			4,500		2,250	2,250
	Engineering	5 500	6,500		3,250	3,250
	Treator, Separator	6,500			3,250	3,250
	Flowline	5,000		1	2,500	2,500
	Tank & Fittings	5,000	4 000		2,500	2,500
	Gravel	-	1,000		2,000	2,000
	Workover Rig	ł	10,000	ł	5,000	5,000
	Completion Fluids	1	2,000	}	1,000	1,000
	Pipeline Hookup	}	13,000		6,500	6,500
	Division Order Opinion	Í	2,000	-	1,000	1,000
	Frac Tank Rental	ł	2,500	1	1,250	1,250
	Flowback		2,000	1	1,000	1,000
	Fence Location	5,000			2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	ļ		8,235	4,108	4,127
	10% Contingency	•		14,694	7,330	7,364
	Drilling Costs		1	59,799	27,881	31,918
	Grand Total Well Costs			221,428	108,506	112,922

FRUITLAND COAL

99.858% RICHARDSON OPERATING CO ET AL 0.142% James & Rila Spade

Approved by:	Date:	\$108351
Approved by:	Date:	\$154
	FC TOTAL	\$108506

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% James & Rita Spade

Approved by:	Date:	\$112922
Approved by:	Date:	\$
	PC TOTAL	\$112922

James & Rita Spade

TOTAL

1

Anthony R. Silva and Deborah Lee Silva P O Box 777 Kirtland, NM 87417

<u></u>		
SENDER: COM	PLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
item 4 if Resti ■ Print your nar so that we ca ■ Attach this ca	ns 1, 2, and 3. Also complete neted Delivery is desired. ne and address on the reverse in return the card to you. It is space permits.	A. Received by (Please Print Clearly) B. Date of Delivery C. Signature X Addressee D. Is delivery address different from item 1? Yes If YES, enter delivery address below:
	nd Deborah Lee Silva	
P O Box 777		
Dear Mr. & Mrs. Si Kirtland, NM 874	17	3. Service Type E Certified Mail
Richardson Productio		4. Restricted Delivery? (Extra Fee)
Pictured Cliffs well o 2. Article Number	(Copy from service label)	
you own a .7914 net : 7000 /	670 0006 8519 30	8/
well will be located in PS Form 3811,	July 1999 Odmestic Reti	urn Receipt 102595-00-M-095:
Fruitland Coal formati		
formation will be the NE/4 of Secrion	7	•
	U.S. Postal Service CERTIFIED MAIL REC	of the last of the
Enclosed for your review is an A	(Domestic Mail Only; No Insurance	Coverne Provided
wish to participate in this drilling	Todal Carry, No moderate	py of the
AFE to the undersigned by Nove:		or by prior
written request, we will forward: m		ur review
and execution, providing for, am g	Postage S	ıd \$5000
drilling/\$500 producing overheat	Cartified Fee	
-	Return Receipt Fee	Postmark Here
In the event you do not wish to p =	Endorsement Required	one of the
following options as to your inter	Endorseme	
0 770	Total Pos Anthony R. Silva and D Sent To P O Box 777 Kirtland, NM 87417 Street, Aat.	eborah Lee Silva
	C.l.y. State, 41	
~ [1
	PS Form 3800, May 2000	See Reverse for Instructions

Anthony R. Silva and Deborah Lee Silva P O Box 777 Kirtland, NM 87417

Certified Mail: 7000 1670 0006 8579 3081

Re: Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1 Well E/2-Section 7-T29N-R14W

San Juan County, New Mexico

Dear Mr. & Mrs. Silva:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .7914 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
- 2. Sell all of your mineral interest for \$70.00 per net acre

Your response is respectfully requested by November 19, 2001.

Should you have any questions, please do not hesitate to call.

RICHARDSON PRODUCTION COMPANY

Sheila A. Frazier

Sheila A. Frazier, CPL

On this	day of	, 2001, we/I hereby elect the following:
	Participate in propherewith.	posed drilling and completion attempt, executed AFE is returned
		d Gas Lease for \$30.00 per net mineral acre, with lease to provide rimary term and 12.5% royalty in the event of production.
	Sell mineral right	ts for \$70.00 per net mineral acre.
Ву:		By:
Printed Nam	e:	Printed Name:

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth:

530' Fruitland Coal

660' Pictured Cliffs

Date:

11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	
	Title Opinion		3,000		1,500	1,500
	* Drilling (incl. water and mud) 660' @ 15.00/ft		9,900		3,975	5,925
	BOP Rental	-	750	İ	375	375
	Dirt Work		4,000		2,000	2,000
	Pit Lining		2,800	1	1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436			718	718
	Casing Head	1,500	}	ì	750	750
	Cement Surface		2,300		1,150	1,150
	Power Tongs		1,000	j	500	500
	Casing 660' @ 5.50/ft	3,630	´		1,458	2,173
	Trucking		4,000		2,000	2,000
	Logs		5,000		2,500	
	Engineering		5,000		2,500	2,500
	Cement Longstring		4,000	[1,600	2,400
	Total Cost to Run Casing	6,566	44,750	51,316		
	<u> </u>	0,500	44,750	' 1	23,926	27,391
	5.9375% Farmington, NM Tax 15% Contingency		İ	3,047	1,421	1,626
	-	,	 	5,436	2,535	2,902
	Grand Total to Run Casing		1	59,799	27,881	31,918
11.	Completion Costs		750			
	Rig Anchors		750	I	375	375
	Logs		3,500		1,750	1,750
	Perf	1	3,500		1,750	1,750
	Wellhead & Fittings	5,000			2,500	2,500
	Tubing 660' @ 2.50/ft	1,650	}		663	988
	Stimulation	,	42,000		21,000	21,000
	Tool Rental		2,300	j	1,150	1,150
	Trucking	- 1	4,000		2,000	2,000
	Battery Installation		8,000	1	4,000	4,000
	Restore Location		4,500	1	2,250	2,250
	Engineering		6,500	[3,250	3,250
	Treator, Separator	6,500	İ	•	3,250	3,250
	Flowline	5,000	j		2,500	2,500
	Tank & Fillings	5,000	ì	1	2,500	2,500
	Gravel		4,000	1	2,000	2,000
	Workover Rig	ł	10,000	1	5,000	5,000
	Completion Fluids	ł	2,000		1,000	1,000
	Pipeline Hookup	l	13,000		6,500	6,500
	Division Order Opinion	1	2,000	Į	1,000	1,000
	Frac Tank Rental]	2,500	ļ	1,250	1,250
	Flowback]	2,000		1,000	1,000
	Fence Location	5,000	2,000	}	2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	
	5.9375% Farmington, NM Tax	20,130	110,550	8,235	4,108	69,513 4,127
		•	ĺ			
	10% Contingency	•	- [14,694	7,330	7,364
			 	59,799	27,881	31,918
	Grand Total Well Costs		<u></u>	221,428	108,506	112,922

FRUITLAND COAL

99.785% RICHARDSON OPERATING CO ET AL 0.215% Anthony R & Deborah Silva

 Approved by:
 Date:
 \$108272

 Approved by:
 Date:
 \$233

 FC TOTAL
 \$108506

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% Anthony R. & Deborah Silva

 Approved by:
 Date:
 \$112922

 Approved by:
 Date:
 \$

 PC TOTAL
 \$112922

Anthony & Deborah Silva

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÷12

David Vigil, Jr. #9 CR 6299 Kirtland, NM 87417

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Re: Fruitland Coal and P: ROPCO #7-1 Well E/2-Section 7-T29N-San Juan County, Net Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	A. Beceived by (Please Print Clearly) B. Date of Delivery C. Signature C. Signature C. Signature C. Agent Addressee D. Is delivery address different from tern 1? Yes If YES, anter delivery address below:
Dear Mr. Vigil: avid Vigil, Jr. 'CR 6299 tland, NM 87417 Richardson Production Comp. Pictured Cliffs well on the cap you own a .3444 net acre unle	3. Service Type Cartifled Mail
well will be located in the NW 2. Article Number (Copy from service label) Fruitland Coal formation will 7000 1670 0006 8579 35% formation will be the NE/4 of PS Form 3811, July 1999 Domestic Ret Wish to participate in this drilling and completion atter AFE to the undersigned by News 1 1000 1000 1000 1000 1000 1000 1000	ourn Receipt 102595-00-M-0952
written request, we will forward an AAPL Form 610 J and execution, providing for, among other things, a 30 drilling/\$500 producing overhead rates.	Only; No Insurance Coverage Provided)
Total David Vigil, #9 CR 6200	
Kirtland, NM	8/417

David Vigil, Jr. #9 CR 6299 Kirtland, NM 87417

Certified Mail: 7000 1670 0006 8579 3548

Re:

Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1 Well

E/2-Section 7-T29N-R14W San Juan County, New Mexico

Dear Mr. Vigil:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .3444 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

David Vigil, Jr. November 2, 2001 Page 2

Printed Name:

1.	Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
2.	Sell all of your mineral interest for \$70.00 per net acre
Your response	e is respectfully requested by November 19, 2001.
Should you ha	ave any questions, please do not hesitate to call.
RICHARDSON	Production Company
Sheila A. Fra	
On this	day of, 2001, we/I hereby elect the following:
	Participate in proposed drilling and completion attempt, executed AFE is returned herewith.
	Enter into Oil and Gas Lease for \$30.00 per net mineral acre, with lease to provide for a three year primary term and 12.5% royalty in the event of production.
	Sell mineral rights for \$70.00 per net mineral acre.
D	D

Printed Name:

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth: 530' Fruitland Coal

660' Pictured Cliffs

Date:

11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	1,50
	Title Opinion	-	3,000		1,500	1,50
	* Drilling (Incl. water and mud) 660' @ 15.00/ft		9,900		3,975	5,92
	BOP Rental		750		375	
	Dirt Work	-	4,000		2,000	2,000
	Pit Lining		2,800	ĺ	1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436			718	711
	Casing Head	1,500			750	750
	Cement Surface		2,300		1,150	1,150
	Power Tongs		1,000		500	500
	Casing 660' @ 5.50/ft	3,630			1,458	2,17:
	Trucking		4,000	ļ	2,000	•
	Logs		5,000		2,500	
	Engineering		5,000		2,500	
	Cement Longstring		4,000		1,600	I '
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	
	5.9375% Farmington, NM Tax	0,500	11,750	3,047	1,421	1,620
	15% Contingency		1	5,436	2,535	
	- · ·		<u> </u>	59,799		
TT	Grand Total to Run Casing			59,799	27,881	31,918
II.	Completion Costs		750		275	71.71
	Rig Anchors		750	j	375	375
	Logs	,	3,500		1,750	1,750
	Perf	i	3,500		1,750	1,750
	Wellhead & Fittings	5,000			2,500	2,500
	Tubing 660' @ 2.50/ft	1,650		1	663	988
	Stimulation		42,000	į.	21,000	21,000
	Tool Rental		2,300		1,150	1,150
	Trucking	{	4,000	ł	2,000	2,000
	Battery Installation		8,000		4,000	
	Restore Location		4,500		2,250	2,250
	Engineering		6,500	1	3,250	3,250
	Treator, Separator	6,500			3,250	3,250
	Flowline	5,000	j)	2,500	2,500
	Tank & Fittings	5,000			2,500	2,500
	Gravel	[4,000		2,000	2,000
	Workover Rig	1	10,000	1	5,000	5,000
	Completion Fluids	1	2,000	1	1,000	1,000
	Pipeline Hookup		13,000		6,500	6,500
	Division Order Opinion	ì	2,000		1,000	1,000
	Frac Tank Rental	1	2,500	}	1,250	1,250
	Flowback	}	2,000		1,000	1,000
	Fence Location	5,000		1	2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	-5/200	/	8,235	4,108	4,127
	10% Contingency	ſ	[14,694	7,330	7,364
	Drilling Costs		[59,799	27,881	31,918
	Grand Total Well Costs		<u> </u> -			
	Grand rotal Well Costs			221,428	108,506	112,922

FRUITLAND COAL

99.906% RICHARDSON OPERATING CO ET AL 0.094% David Vigil Jr.

Approved by:	Date:	\$108404
Approved by:	Date:	\$102
	EC TOTAL	₹1 09506

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% David Vigil Jr.

Approved by:	Date:	\$112922
Approved by:	Date:	\$
	DC TOTAL	4113033

 PC TOTAL
 \$112922

 David Vigil Jr.
 TOTAL
 \$102

November 2, 2001 SENDER: COMPLETE THIS SECTION COMPLETE THIS SECTION ON DELIVERY ■ Complete items 1, 2, and 3. Also complete R. Sam Sewell item 4 if Restricted Delivery is desired. 1405 Camina Sol Print your name and address on the reverse Farmington, NM 87401 so that we can return the card to you. Attach this card to the back of the mailpiece, ☐ Addresse= or on the front if space permits. ☐ Yes is delivery address different from item 1? 1. Article Addressed to: If YES, enter delivery address below: Fruitland Coal and Pi R. Sam Sewell Re: 3. Service Type ROPCO #7-1 Well 1405 Camina Sol Certified Mail xoress Mail E/2-Section 7-T29N-I = armington, NM 87401 ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail □ c.o.o. San Juan County, Nev 4. Restricted Delivery? (Extra Fee) ☐ Yes Dear Mr. Sewell: 102595-00-M-0952 Richardson Production Company proposes to artir a downline commande Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that The ROPCO you own a 1.3543 x 1/3 net acre unleased mineral interest wi #7-1 well will be located in the NW/4NE/4 of Section 7-T29 **CERTIFIED MAIL RECEIPT** Fruitland Coal formation will be E/2 of Section 7, and the sp (Domestic Mail Only; No Insurance Coverage Provided formation will be the NE/4 of Section 7. Enclosed for your review is an AFE itemizing the estimated Enclosed for your review is an Are neutrizing the estimated are wish to participate in this drilling and completion attempt, .⊃ostage AFE to the undersigned by November 19, 2001. Upon rec Cartified Fee written request, we will forward an AAPL Form 610 Joint Postman and execution, providing for, among other things, a 300% stricted Deliv drilling/\$500 producing overhead rates. Total Po In the event you do not wish to participate, Richardson re R. Sam Sewell Sem To 1405 Camina Sol Farmington, NM 87401

PS Form 3800, May 2000

following options as to your interest:

R. Sam Sewell 1405 Camina Sol Farmington, NM 87401

Certified Mail: 7000 1670 0006 8579 3654

Re:

Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1 Well

E/2-Section 7-T29N-R14W San Juan County, New Mexico

Dear Mr. Sewell:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a 1.3543 x 1/3 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

Printed Name:

1.	Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
2.	Sell all of your mineral interest for \$70.00 per net acre
Your response	is respectfully requested by November 19, 2001.
Should you ha	ve any questions, please do not hesitate to call.
RICHARDSON :	Production Company
Sheila A. Fraz	
On this	day of, 2001, we/I hereby elect the following:
	Participate in proposed drilling and completion attempt, executed AFE is returned herewith.
	Enter into Oil and Gas Lease for \$30.00 per net mineral acre, with lease to provide for a three year primary term and 12.5% royalty in the event of production.
	Sell mineral rights for \$70.00 per net mineral acre.

Printed Name:

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth:

530' Fruitland Coal

660' Pictured Cliffs

Date: `

. 11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	1,500
	Title Opinion	-	3,000		1,500	1,500
:	* Drilling (Incl. water and mud) 660' @ 15.00/R		9,900		3,975	5,925
	BOP Rental		750		375	375
	Dirt Work		4,000		2,000	2,000
	Pit Lining		2,800		1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436			718	718
	Casing Head	1,500			750	750
	Cement Surface		2,300		1,150	1,150
	Power Tongs		1,000		500	500
	Casing 660' @ 5.50/ft	3,630	ì		1,458	2,173
	Trucking		4,000		2,000	2,000
	Logs	-	5,000		2,500	2,500
	Engineering		5,000		2,500	2,500
	Cement Longstring		4,000		1,600	
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	27,391
	5.9375% Farmington, NM Tax	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	3,047	1,421	1,626
	15% Contingency		1	5,436	2,535	2,902
	Grand Total to Run Casing		t	59,799	27,881	31,918
II.	Completion Costs		ļ	55,755	2,,001	31,310
	Rig Anchors		750		375	375
	Logs	_	3,500		1,750	1,750
	Perf		3,500		1,750	
	Wellhead & Fittings	5,000	3,300		2,500	2,500
	Tubing 660' @ 2.50/ft	1,650	ł		663	988
	Stimulation	1,030	42,000		21,000	21,000
	Tool Rental		2,300		1,150	1,150
	Trucking		4,000		2,000	2,000
	Battery Installation		8,000		4,000	4,000
	Restore Location	ł	4,500		2,250	2,250
	Engineering	j	6,500		3,250	3,250
	Treator, Separator	6,500	0,500		3,250	3,250
	Flowline	5,000	1		2,500	2,500
	Tank & Fittings	5,000			2,500	2,500
	Gravel	-,}	4,000	į	2,000	2,000
	Workover Rig		10,000		5,000	5,000
	Completion Fluids	İ	2,000		1,000	1,000
	Pipeline Hookup	ļ	13,000	ļ	6,500	6,500
	Division Order Opinion	1	2,000		1,000	1,000
	Frac Tank Rental	ŀ	2,500		1,250	1,250
	Flowback	İ	2,000		1,000	1,000
	Fence Location	5,000	2,000		2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	20,130	110,550	8,235	4,108	4,127
	10% Contingency		Í	14,694	7,330	7,364
	Drilling Costs		1	59,799	27,881	7,504 31,918
			}-			
	Grand Total Well Costs		<u> </u> _	221,428	108,506	112,922

RUITLAND COAL

99.877% RICHARDSON OPERATING CO ET AL 0.123% R. Sam Sewell

 Approved by:
 Date:
 \$108372

 Approved by:
 Date:
 \$134

 FC TOTAL
 \$108506

_Date:

ICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% R. Sam Sewell

Approved by:

R Sam Sewell

Approved by:

PC TOTAL

\$11292.

Chad Greenwade and Cherree Greenwade #10 CR 6427 Kirtland, NM 87417

COMPLETE THIS SECTION ON DELIVERY. SENDER: COMPLETE THIS SECTION ■ Complete items 1, 2, and 3. Also complete A. Received by (Please Print Clearly) item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse C. Signature so that we can return the card to you. Attach this card to the back of the mailpiece. or on the front if space permits. D. Is delivery address different from item 1? 1. Article Addressed to: If YES, enter delivery address below: Chal Granwood H8 PA 6427 3. Service Type Kirdland NM 87417 Certified Mail ☐ Express Mail Registered Return Receipt for Merchandise Insured Mail ☐ C.O.D. 4. Restricted Delivery? (Extra Fee) ☐ Yes 2. Article Number (Copy from service label)

Fruitland Coal and Pi Re: ROPCO #7-1 Well E/2-Section 7-T29N-San Juan County, Ne

Dear Mr. & Mrs. Greenwad

102595-00-M-0952

Richardson Production Coa

you own a .4212 net acre unleased mineral interest within the spacing unit. The ROLOGO. Pictured Cliffs well on the captioned lands. well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs

formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimate wish to participate in this drilling and completion attempt, AFE to the undersigned by November 19, 2001. Upon reci written request, we will forward an AAPL Form 610 Joint and execution, providing for, among other things, a 300%/ drilling/\$500 producing overhead rates.

In the event you do not wish to participate, Richardson rest following options as to your interest:

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage	e Provided)
Postage S Cartified Fee Return Receiot Fee Endorsement Required) Resincted Delivery Fee Endorsement Required) Total Postage & Fees Sizeer. Add. No.: or PO Box Non A 427 City. State. ZiPad PS Form 3800, May 2000.	201 /

Chad Greenwade and Cherree Greenwade #10 CR 6427 Kirtland, NM 87417

Certified Mail: 7000 1670 0006 8579 3555

Re: Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1 Well

E/2-Section 7-T29N-R14W San Juan County, New Mexico

Dear Mr. & Mrs. Greenwade:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .4212 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

Chad Greenwade and Cherree Greenwade November 2, 2001 Page 2

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
- 2. Sell all of your mineral interest for \$70.00 per net acre

Your response is respectfully requested by November 19, 2001.

Should you have any questions, please do not hesitate to call.

RICHARDSON PRODUCTION COMPANY

Sheila A. Frazier

Sheila A. Frazier, CPL

On this	day of	, 2001,	we/I hereby elect the following:
	Participate in proherewith.	posed drilling and	completion attempt, executed AFE is returned
			0.00 per net mineral acre, with lease to provide 2.5% royalty in the event of production.
	Sell mineral righ	ts for \$70.00 per n	et mineral acre.
Ву:			Ву:
Printed Name	•	, <u>.</u>	Printed Name:

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth: 530' Fruitland Coal

660' Pictured Cliffs

Date:

11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits	•	3,000	İ	1,500	
	Title Opinion	- ~	3,000	ł	1,500	
	* Drilling (Incl. water and mud) 660' @ 15.00/ft		9,900	j	3,975	5,925
	BOP Rental		750	1	375	375
	Dirt Work		4,000		2,000	2,000
	Pit Lining		2,800		1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436		j	718	718
	Casing Head	1,500			750	750
	Cement Surface		2,300		1,150	1,150
	Power Tongs		1,000		500	500
	Casing 660' @ 5.50/ft	3,630		j	1,458	2,173
	Trucking	-	4,000		2,000	2,000
	Logs	- <u>-</u>	5,000	l	2,500	2,500
	Engineering		5,000	1	2,500	2,500
	Cement Longstring		4,000	}	1,600	•
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	27,391
	5.9375% Farmington, NM Tax	0,000	1,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	3,047	1,421	1,626
	15% Contingency			5,436	2,535	2,902
	Grand Total to Run Casing			59,799	27,881	31,918
II.	Completion Costs		}	39,739	27,001	31,310
11.	Rig Anchors		750]	375	375
	Logs		3,500			
	Perf		·	Ì	1,750	1,750
	, c.,		3,500	ł	1,750	1,750
	Wellhead & Fittings	5,000			2,500	2,500
	Tubing 660' @ 2.50/ft	1,650	47.000		663	988
	Tool Rental		42,000		21,000	21,000
			2,300		1,150	1,150
	Trucking	-	4,000	Ĭ	2,000	2,000
	Battery Installation		8,000		4,000	4,000
	Restore Location		4,500		2,250	2,250
	Engineering		6,500		3,250	3,250
	Treator, Separator	6,500	[1	3,250	3,250
	Flowline	5,000	1		2,500	2,500
	Tank & Fittings	5,000		ł	2,500	2,500
	Gravel		4,000		2,000	2,000
	Workover Rig		10,000	Ţ	5,000	5,000
	Completion Fluids		2,000		1,000	1,000
	Pipeline Hookup		13,000		6,500	6,500
	Division Order Opinion		2,000	İ	1,000	1,000
	Frac Tank Rental	1	2,500		1,250	1,250
	Flowback		2,000		1,000	1,000
	Fence Location	5,000			2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	}		8,235	4,108	4,127
	10% Contingency	- '		14,694	7,330	7,364
	Drilling Costs		1	59,799	27,881	31,918
	Grand Total Well Costs			221,428	108,506	112,922

FRUITLAND COAL

99.885% RICHARDSON OPERATING CO ET AL 0.115% Chad E. & Cherree Greenwade

 Approved by:
 Date:
 \$108381

 Approved by:
 Date:
 \$125

 FC TOTAL
 \$108506

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% Chad E. & Cherree Greenwade

 Approved by:
 Date:
 \$112922

 Approved by:
 Date:
 \$

 PC TOTAL
 \$112922

Chad & Cherree Greenwade

TOTAL

4435

Antonio P. Herrera and Rose Jean Herrera Route 1, Box 11 Fruitland, NM 87416

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3, Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece. or on the front if space permits.
- 1. Article Addressed to:

Antonio P Herrerad Fruitland Coal and ROPCO #7-1 We.

E/2-Section 7-T29

San Juan County,

Rose Herrera 15 Rd 6427 Kirtland Nm 8747

3. Service Type

Signature

Cartified Mail

Registered

Return Receipt for Merchandise ☐ C.O.D.

☐ Insured Mail

4. Restricted Delivery? (Extra Fee) ☐ Yes

COMPLETE THIS SECTION ON DELIVERY

D. Is delivery address different from item 1?

if YES, enter delivery address below:

Received by (Please Print Clearly) | 8. Date of Delivery

Dear Mr. & Mrs. Herrera:

Re:

2. Article Number (Copy from service label) 10xx 1670 nos6

PS Form 3811, July 1999

102595-00-M-0952

Richardson Production Co Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .50 net acre unleased mineral interest within the snacing unit. The ROPCO #7-1 well

will be located in the NW/4NE/4 of Section 7-T29N-R14W Coal formation will be E/2 of Section 7, and the spacing un

will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated wish to participate in this drilling and completion attempt, AFE to the undersigned by November 19, 2001. Upon rece written request, we will forward an AAPL Form 610 Joint and execution, providing for, among other things, a 300%/ drilling/\$500 producing overhead rates.

In the event you do not wish to participate, Richardson rest following options as to your interest:

CERTIFIE	Service	RECEIPT Surance Coverage Provided)
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9000	Pestricted Delivery Fee Engorsement Required)		17/-/
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~ - [S. V. Siate. ZIP Ku	lead	
5 4	S Form 3800, May 2000		See Reverse for Instruction

Antonio P. Herrera and Rose Jean Herrera Route 1, Box 11 Fruitland, NM 87416

Certified Mail: 7000 1670 0006 8579 3142

Re: Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1 Well

E/2-Section 7-T29N-R14W San Juan County, New Mexico

Dear Mr. & Mrs. Herrera:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .50 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
- 2. Sell all of your mineral interest for \$70.00 per net acre

Your response is respectfully requested by November 19, 2001.

Should you have any questions, please do not hesitate to call.

RICHARDSON PRODUCTION COMPANY

Sheila A. Frazier

Sheila A. Frazier, CPL

On this	day of	_day of, 2001, we/I hereby elect the following:				
	Participate in proportion herewith.	sed drilling and completion attempt, executed AFE is returned				
	Enter into Oil and Gas Lease for \$30.00 per net mineral acre, with lease to provide for a three year primary term and 12.5% royalty in the event of production.					
	_ Sell mineral rights f	for \$70.00 per net mineral acre.				
Ву:		By:				
Printed Nar	ne:	Printed Name:				

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth:

530' Fruitland Coal 660' Pictured Cliffs Date:

11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	1,500
	Title Opinion		3,000	1	1,500	1,500
	* Drilling (Incl. water and mud) 660' @ 15.00/ft		9,900	ŀ	3,975	5,925
	BOP Rental	-	750	1	375	375
	Dirt Work		4,000		2,000	2,000
	Pit Lining		2,800		1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436		Ì	718	718
	Casing Head	1,500		ļ	750	750
	Cement Surface	1,500	2,300		1,150	1,150
	Power Tongs		1,000	1	500	500
	Casing 660' @ 5.50/ft	3,630	2,000	i	1,458	
	Trucking		4,000		2,000	
	Logs		5,000		2,500	· ·
	Engineering	_	5,000			
	Cement Longstring		4,000		2,500	2,500
	ter terminal and the second se			54.346	1,600	
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	27,391
	5.9375% Farmington, NM Tax			3,047	1,421	1,626
	15% Contingency			5,436	2,535	2,902
	Grand Total to Run Casing			59,799	27,881	31,918
II.	Completion Costs					
	Rig Anchors		750	ļ	375	375
	Logs	-	3,500		1,750	1,750
	Perf	-	3,500	ļ	1,750	1,750
	Wellhead & Fittings	5,000			2,500	2,500
	Tubing 660' @ 2.50/ft	1,650			663	988
	Stimulation		42,000		21,000	21,000
	Tool Rental		2,300		1,150	1,150
	Trucking	- 1	4,000		2,000	2,000
	Battery Installation		8,000	ļ	4,000	4,000
	Restore Location	ļ	4,500		2,250	2,250
	Engineering		6,500		3,250	3,250
	Treator, Separator	6,500	4,000		3,250	3,250
	Flowline	5,000	1		2,500	2,500
	Tank & Fittings	5,000	1)	2,500	2,500
	Gravel	3,232	4,000	1	2,000	2,000
	Workover Rig	j	10,000	1	5,000	5,000
	Completion Fluids		2,000	1	1,000	1,000
	Pipeline Hookup		13,000	1	6,500	6,500
	Division Order Opinion		2,000			
	Frac Tank Rental	}			1,000	1,000
	Flowback	j	2,500		1,250	1,250
			2,000	j	1,000	1,000
	Fence Location	5,000			2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	- 1	J	8,235	4,108	4,127
	10% Contingency		}	14,694	7,330	7,364
	Drilling Costs			59,799	27,881	31,918
	Grand Total Well Costs			221,428	108,506	112,922

FRUITLAND COAL

99.863% RICHARDSON OPERATING CO ET AL 0.137% Antonio & Rose Herrera

 Approved by:
 Date:
 \$108357

 Approved by:
 Date:
 \$148

 FC TOTAL
 \$108506

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% Antonio & Rose Herrera

Approved by: Date: Date: PC TOTAL

Antonio & Rose Herrera

TOTAL

\$112922 **\$148** 1700 Lincoln, Suite 1700 Denver, Calorado 80203 (303) 830-8000 Fax (303) 830-8009

January 14, 2002

options as to your interest:

James M. Sheridan And Andrea M Sheridan	ENDER: COMPLETE THIS SECTION		COMPLET	E THIS SEC	CTION ON DE	LIVERY	
P O Box 435 Kirtland, NM 87417	Complete items 1, 2, and 3. Also comitem 4 if Restricted Delivery is desired Print your name and address on their so that we can return the card to you. Attach this card to the back of the major on the front if space permits.	i. everse	C. Signatu X. Com	re y St	e Print Clearly	/-/ 	Agent Addressee Yes
RE: Fruitland Coal and Pict ROPCO #7-1 E/2 Section 7, Township San Juan County, New	ames M. Sheria	n vai	If YES,	enter delive	ny address be	łow:	No
Dear Mr. and Mrs. Sheridan:	PO BOL 435	.)	3. Service	Ified Mail	Express to Return Re		lerchandise
Richardson Production Company and Pictured Cliffs well on the					? (Extra Fee)		Yes
own a .50 net acre unleased mine in the NW/4NE/4 of Section 7, Coal formation will be the E/2	2000 1/220 MOG	8579 Damestic Reti	38/4 um Receipt	,	*,	10259	5-00-M-0952
the NE/4 of Section 7.		7) iremizing	ine estitu	ומובת יים	س		
Enclosed for your review is an	Authority for Expenditure ("AFE participate in this drilling and componed by January 28, 2002. Upon to	letion attemp					
copy of the AFE to the industrial written request, we will forward execution, providing for, among producing overhead rates. Sho you participating in the drillingling liabilities	rd an AAPL Form 610 Joint Oping other things, a 300%/100% non build you elect to participate Richard and completing of the well, but when the well is abandoned.	CEF (Dame	TIFIE	IAM C	L RECE	IPT overage I	Provided)
In the event you do not wish to	o participate, Richardson respectful	857	Certified Fee			20	stmark

Peturn Receipt Fee Endorsement Required)

Pastrictad Delivery Fee Encorsement Reduired)

Total Postage & Fees | \$

Street, Apt. No.; or PO Box No.

City. State. ZIP-4 PS Form 3800, May 2000

0000

7000

Sent To

Postmark

Here

1700 Lincoln, Suite 1700 Denver, Colorado 30203 (303) 330-3000 Fax (303) 830-3009

January 14, 2002

James M. Sheridan And Andrea M Sheridan P O Box 435 Kirtland, NM 87417

> Certified Mail7000 1670 0006 8579 3814 Return Receipt Requested

RE: Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1

E/2 Section 7, Township 29 North, Range 14 West

San Juan County, New Mexico

Dear Mr. and Mrs. Sheridan:

Richardson Production Company ("Richardson") proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .50 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7, Township 29 North, Range 14 West. The spacing unit for the Fruitland Coal formation will be the E/2 of Section 7 and the spacing unit for the Pictured Cliffs formation will be 4, the NE/4 of Section 7.

Enclosed for your review is an Authority for Expenditure ("AFE") itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by January 28, 2002. Upon receipt of you executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% non consent penalty and \$5000 drilling/\$500 producing overhead rates. Should you elect to participate Richardson wants you to be aware not only are you participating in the drilling and completing of the well, but also the operating costs of the well, including all plugging liabilities when the well is abandoned.

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production.
- 2. Sell all of your mineral interest for \$70.00 per net mineral acre.

Your response is respectfully requested by January 28, 2002.

Should you have any questions, please contact me at either the letterhead address, by telephone at (303) 830-8000 or by e-mail at rvanblaricom@richardsonoil.com.

Very truly yours,	
Relucen E.	Ww Glaceem

Rebecca E. Van Blaricom Land Manager

On this	day of	, 2002, we/I elect the following:	
~~~~	Participate in the herewith.	proposed drilling and completion attempt, executed AFE is returned	
		d Gas Lease for \$40.00 per net mineral acre, with lease to provide for y term and a 12.5% royalty in the event of production.	r,a *,
	Sell mineral righ	s for \$70.00 per net mineral acre.	
		•	
Jam	es M. Sheridan	Andrea M. Sheridan	

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth: 530' Fruitland Coal

660' Pictured Cliffs

Date: 11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	1,500
	Title Opinion	. -	3,000	\$	1,500	1,500
	* Drilling (Incl. water and mud) 660' @ 15.00/ft		9,900		3,975	5,925
	BOP Rental		750		375	375
	Dirt Work		4,000		2,000	2,000
	Pit Lining		2,800		1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436			718	718
	Casing Head	1,500	ĺ		750	ı
	Cement Surface	•	2,300	ļ	1,150	1,150
	Power Tongs		1,000		500	500
	Casing 660' @ 5.50/ft	3,630	l		1,458	2,173
	Trucking	<u>.</u>	4,000		2,000	
	Logs		5,000		2,500	
	Engineering		5,000		2,500	1
	Cement Longstring		4,000		1,600	
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	27,391
	5.9375% Farmington, NM Tax	0,500	11,750	3,047	1,421	1,626
	15% Contingency			5,436	2,535	1
			 			
77	Grand Total to Run Casing]	59,799	27,881	31,918
II.	Completion Costs Rig Anchors		750		275	225
			750		375	375
	Logs		3,500		1,750	1,750
	Perf		3,500		1,750	1,750
	Wellhead & Fittings	5,000	ĺ		2,500	2,500
	Tubing 660' @ 2.50/ft	1,650			663	988
	Stimulation		42,000		21,000	21,000
	Tool Rental		2,300		1,150	
	Trucking	-	4,000		2,000	2,000
	Battery Installation		8,000	1	4,000	4,000
	Restore Location		4,500		2,250	2,250
	Engineering	1	6,500	j	3,250	3,250
	Treator, Separator	6,500	ļ	1	3,250	3,250
	.Flowline	5,000		1	2,500	2,500
	Tank & Fittings	5,000	ł	1	2,500	2,500
	Gravel		4,000	i	2,000	2,000
	Workover Rig		10,000	Ĭ	5,000	5,000
	Completion Fluids		2,000	ļ	1,000	1,000
	Pipeline Hookup		13,000	į	6,500	6,500
	Division Order Opinion		2,000	1	1,000	1,000
	Frac Tank Rental		2,500		1,250	1,250
	Flowback		2,000	İ	1,000	1,000
	Fence Location	5,000	j	1	2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax		,	8,235	4,108	4,127
	10% Contingency			14,694	7,330	7,361
	Drilling Costs			59,799	27,881	31,918
	Grand Total Well Costs		<u> </u>			
	Granu rotal Well Costs		L	221,428	108,506	112,922

FRUITLAND COAL

99.863% RICHARDSON OPERATING CO ET AL 0.137% James & Andrea Sheridan

Approved by:	Date:	\$108357
Approved by:	Date:	\$148
	FC TOTAL	\$108506

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% James & Andrea Sheridan

Approved by: _	Date:	\$112922
Approved by: _	Date:	\$
	PC TOTAL	\$112922

James & Andrea Sheridan

TOT

Orland C. Joe, Sr. and Charlotte Joe #25 CR 6427 Kirtland, NM 87417

ENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to:	A. Received by (Please Print Clearly) B. Date, of Delivery C. Signature X Agent Addressee D. Is delivery address different from item 1? If YES, enter delivery address below:	0 0006 8579 3661
nd C. Joe, Sr. and Charlotte Joe CR 6427 and, NM 87417	3. Service Type Certified Mail	ngled Fruitland Coal and any records indicates that
Article Number (Copy from service label) Article Number (Copy from service label) 8579 366	61	nit. The ROPCO #7-1 spacing unit for the
S Form 3811, July 1999 Domestic Re	102595-00-M-0952	for the Pictured Cliffs

Enclosed for your review is an AFE itemizing the est wish to participate in this drilling and completion atte AFE to the undersigned by November 19, 2001. Upc written request, we will forward an AAPL Form 610 and execution, providing for, among other things, a 3 drilling/\$500 producing overhead rates.

In the event you do not wish to participate, Richardse following options as to your interest:

U.S. Postal CERTIFIEI (Domestic Mail (Service D MAIL RECEIPT Only, No Insurance Coverage Providence	led)
π -		1
Certified Fee Gerum Receipt Fee Endorsement Redured) Restricted Defivery Fee Endorsement Redured)	S Pastmanc Here	
Total Sam T Orland C. #25 CR 64 Street. Kirtland, N	Joe, Sr. and Charlotte Joe 427 IM 87417	
Constitution of the Sale of the		

Orland C. Joe, Sr. and Charlotte Joe #25 CR 6427 Kirtland, NM 87417

Certified Mail: 7000 1670 0006 8579 3661

Re: Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1 Well

E/2-Section 7-T29N-R14W San Juan County, New Mexico

Dear Mr. & Mrs. Joe:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a 1.04 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

Orland C. Joe, Sr. and Charlotte Joe November 2, 2001 Page 2

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
- 2. Sell all of your mineral interest for \$70.00 per net acre

Your response is respectfully requested by November 19, 2001.

Should you have any questions, please do not hesitate to call.

RICHARDSON PRODUCTION COMPANY

Sheila A. Frazier

Sheila A. Frazier, CPL

On this	day of	, 2001	1, we/I hereby elect the following:
	Participate in herewith.	proposed drilling an	nd completion attempt, executed AFE is returned
			\$30.00 per net mineral acre, with lease to provide 12.5% royalty in the event of production.
	Sell mineral ri	ights for \$70.00 per	net mineral acre.
Ву:			Ву:
Printed Name	•		Printed Name:

RICHARDSON OPERATING COMPANY **AUTHORITY FOR EXPEDITURES**

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth: 530' Fruitland Coal

660' Pictured Cliffs

Date: 11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	1,500
	Title Opinion	- -	3,000		1,500	1,500
	* Drilling (Incl. water and mud) 660' @ 15.00/ft		9,900		3,975	5,925
	BOP Rental	-	750		375	375
	Dirt Work		4,000		2,000	2,000
	Pit Lining		2,800		1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436		•	718	718
	Casing Head	1,500			750	750
	Cement Surface		2,300		1,150	1,150
	Power Tongs		1,000	,	500	•
	Casing 660' @ 5.50/ft	3,630	·	•	1,458	ł .
	Trucking		4,000		2,000	
	Logs		5,000		2,500	1
	Engineering		5,000		2,500	
	Cement Longstring		4,000		1,600	1
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	
	5.9375% Farmington, NM Tax	0,500	11,750	3,047	1,421	1,626
	15% Contingency		: {	5,436	2,535	
	Grand Total to Run Casing		'	59,799	27,881	31,918
II.	Completion Costs			33,733	27,001	31,910
14.	Rig Anchors		750		375	375
	Logs		3,500		1,750	3
	Perf	1	3,500		1,750	
	Wellhead & Fittings	5,000	3,300			
	Tubing 660' @ 2.50/ft	, ,			2,500	· ·
	Stimulation	1,650	42.000		663	988
		1	42,000	I	21,000	•
	Tool Rental		2,300		1,150	
	Trucking	- }	4,000		2,000	2,000
	Battery Installation		8,000	į	4,000	4,000
	Restore Location		4,500		2,250	2,250
	Engineering		6,500		3,250	3,250
	Treator, Separator	6,500			3,250	3,250
	Flowline	5,000	l	ł	2,500	2,500
	Tank & Fittings	5,000	4 000		2,500	2,500
	Gravel	j	4,000	1	2,000	2,000
	Workover Rig	ł	10,000		5,000	5,000
	Completion Fluids		2,000		1,000	1,000
	Pipeline Hookup	1	13,000	İ	6,500	6,500
	Division Order Opinion	j	2,000		1,000	1,000
	Frac Tank Rental	ļ	2,500		1,250	1,250
	Flowback		2,000		1,000	1,000
	Fence Location	5,000			2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	ļ	į	8,235	4,108	4,127
	10% Contingency	•	1	14,694	7,330	7,364
	Drilling Costs		Ĺ	59,799	27,881	31,918
	Grand Total Well Costs		1	221,428	108,506	112,922

FRUITLAND COAL

99.716% RICHARDSON OPERATING CO ET AL 0.281% Orland & Charlotte Joe

Approved by:	Date:	\$108197
Approved by:	Date:	\$309
	FC TOTAL	\$108506

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% Orland & Charlotte Joe

Approved by:	Date:	\$112922
Approved by:	Date:	<u> </u>
	PC TOTAL	\$112922

TOTAL

Orland & Charlotte, Too

Troy L. Guillory and Margie G. Guillory Box 903 Kirtland NM 87417

Kuman	a, 14141 07717				
		SENDER: COM	PLETE THIS SECTIO	N	COMPLETE THIS SECTION ON DELIVERY
n.	E did al Carl an	item 4 if Restr Print your names of that we can Attach this can or on the front	ns 1, 2, and 3. Also conceed Delivery is desire the and address on the the return the card to yourd to the back of the return tif space permits.	ed. reverse u.	A. Received by (Please Print Clearly) B. Date of Delivery C. Signature Agent Addressee
Re:	Fruitland Coal and ROPCO #7-1 We	1 Article Addresse	ed to:		D. Is delivery address different from item ? Yes
	E/2-Section 7-T29			ł	11 Road 6346
	San Juan County,	Troy L. Guillory	and Margie G. Gu	iillory	Kirtland NM 87417
		Box 903 Kirtland, NM 87	417	_	3. Service Type
Dear N	⁄Ir. & Mrs. Guillor)	417		☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D
Richar	dson Production C	. ∧.			4. Restricted Delivery? (Extra Fee) Yes
Picture	ed Cliffs well on th	1e 2. Article Number	(Copy from service label)	20 2000	
you ov	wn a .74 net acre u	nl 1000 167	0 0006 831	19 3586	
	e located in the NV		July 1999	Domestic Ret	turn Receipt 102595-00-M-0952
Coal f	CERTIFIE	Service D MAIL REC			• • • • • • • • • • • • • • • • • • • •
Enclo	(Domestic Mail C	inly; No Insurance (Coverage Provided)	costs fo	or the well. In the event you
wish t	- P				turn an executed copy of the
AFE t	S.E.	,			our executed AFE, or by prior
writte	gr Postage	s			g Agreement for your review
and ex	- ·			00% no	nconsent penalty and \$5000
drillir	Fetum Receipt Fee 5 Encorsement Required)		Postmark Her s		
In the				ectfully	requests you elect one of the
follov	Sent To Box 90	. Guillory and Ma 03 d, NM 87417	rgie G. Guillory		

Troy L. Guillory and Margie G. Guillory Box 903 Kirtland, NM 87417

Certified Mail: 7000 1670 0006 8579 3586

Re:

Fruitland Coal and Pictured Cliffs Well Proposal ROPCO #7-1 Well

E/2-Section 7-T29N-R14W San Juan County, New Mexico

Dear Mr. & Mrs. Guillory:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .74 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
- 2. Sell all of your mineral interest for \$70.00 per net acre

Your response is respectfully requested by November 19, 2001.

Should you have any questions, please do not hesitate to call.

RICHARDSON PRODUCTION COMPANY

Sheila A. Frazier

Sheila A. Frazier, CPL

On this	day of	, 2001, we/I hereby elect the following:	4 1
	Participate in propos herewith.	sed drilling and completion attempt, executed AFE is r	eturned
		as Lease for \$30.00 per net mineral acre, with lease to ary term and 12.5% royalty in the event of production.	
	Sell mineral rights fo	or \$70.00 per net mineral acre.	
Ву:		Ву:	
Printed Name	:	Printed Name:	

RICHARDSON OPERATING COMPANY **AUTHORITY FOR EXPEDITURES**

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth: 530' Fruitland Coal

660' Pictured Cliffs

Date: • 11/2/01
Objective Formation: Commingled
Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	1,500
	Title Opinion	· -	3,000		1,500	1,500
,	* Drilling (Incl. water and mud) 660' @ 15.00/ft		9,900		3,975	5,925
	BOP Rental		750		375	375
	Dirt Work		4,000		2,000	2,000
	Pit Lining		2,800		1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436	1		718	718
	Casing Head	1,500			750	750
	Cement Surface	·	2,300		1,150	1,150
	Power Tongs		1,000		500	1
	Casing 660' @ 5.50/ft	3,630			1,458	
	Trucking		4,000		2,000	1
	Logs		5,000	l	2,500	
	Engineering		5,000		2,500	1
	Cement Longstring		4,000		1,600	1
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	
	5.9375% Farmington, NM Tax	0,500	11,750	3,047	1,421	1,626
	15% Contingency			5,436	2,535	
	Grand Total to Run Casing		[59,799		
II.	Completion Costs			33,733	27,881	31,918
X X .	Rig Anchors		750		771	375
	•		750		375	375
	Logs		3,500		1,750	
	Perf		3,500		1,750	
	Wellhead & Fittings	5,000			2,500	2,500
	Tubing 660' @ 2.50/R	1,650	i		663	988
	Stimulation		42,000		21,000	21,000
	Tool Rental		2,300		1,150	1,150
	Trucking	-	4,000		2,000	
	Battery Installation		8,000		4,000	4,000
	Restore Location	į	4,500		2,250	2,250
	Engineering	Ì	6,500		3,250	3,250
	Treator, Separator	6,500	1		3,250	3,250
	Flowline	5,000			2,500	2,500
	Tank & Fittings	5,000		j	2,500	2,500
	Gravel	ļ	4,000		2,000	2,000
	Workover Rig		10,000		5,000	5,000
	Completion Fluids		2,000		1,000	1,000
	Pipeline Hookup		13,000		6,500	6,500
	Division Order Opinion	}	2,000	ļ	1,000	1,000
	Frac Tank Rental	ļ	2,500		1,250	1,250
	Flowback		2,000		1,000	1,000
	Fence Location	5,000	1		2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	,	,	8,235	4,108	4,127
	10% Contingency		1	14,694	7,330	7,364
	Drilling Costs		į	59,799	27,881	31,918
	Grand Total Well Costs		<u>}-</u>	221,428	108,506	112,922
	Orally rotal Mell Costs		<u></u>	221,720	100,300]	114,744

Drilling Costs		59,799	27,881	31,918
Grand Total Well Costs		221,428	108,506	112,922
FRUITLAND COAL				
99.813% RICHARDSON OPERATING CO ET AL	Approved by:	Date:_		\$108303
0.187% Troy & Margie Guillory	Approved by:	Date:_		\$203
		FC ~	TOTAL	\$108506
PICTURED CLIFFS				
100.00% RICHARDSON OPERATING CO ET AL	Approved by:	Date:		\$112922
0.00% Troy & Margie Guillory	Approved by:	Date:		\$
		PC 1	TOTAL	\$112922
	Troy & M	largie Guillory TOT	-At	\$203

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

January 21, 2002

Rhonda Medina and Jose Valenzuela ≓29 CR 6427 Kirtiand, NM 87417

U.S. Postal S CERTIFIED	ervice MAIL RECEIPT Ny, No Insurance Coverage Provided)	Certified Mail 7000 1670 0006 8579 3: Return Receipt Reques
Domestic man G.		roposal
		14 West
Postage	3	
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Return Recept Fee Endorsement Required)	Here	Ocean All .
Restricted Dalivery Fee Endorsement Reduced)		oses to drill a downhole commingled Fruitland Concent check of the county records indicates that yo spacing unit. The ROPCO #7-1 well are that yo
Total Postage & Fees	\$	lange 14 West The " well will be locate
Sant To		lange 14 West. The spacing unit for the Fruitland acing unit for the Pictured Cliffs formation will be
Street, Apr. No.; or FO B	OX NO.	
City, State, ZP-4		ure ("AFE") itemizing the estimated costs for the and completion attempt, please return an executed 2002. Upon receipt of
producing overifyou participating including all plus in the event you options as to you	ENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reso that we can return the card to you. Attach this card to the back of the mail or on the front if space permits. Article Attdressed to: Rhomaa Medina Jast Alengula Lag CR 6427 Kuulana NM 87417	COMPLETE THIS SECTION ON DELIVERY Diete A Received by (Please Print Clearly) B. Date of Delive YELD A MEDINA /- 2 Y - 2
	Kerelana	☐ Insured Mail ☐ C.O.D.

Domestic Return Receipt

:02595-00-M-0952

Rhonda Medina and Jose Valenzuela P O Box 995 Fruitland, NM 87416

Certified Mail: 7000 1670 0006 8579 3623

Re: Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1 Well

E/2-Section 7-T29N-R14W San Juan County, New Mexico

Dear Ms. Medina and Mr. Valenzuela:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .7392 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

Rhonda Medina and Jose Valenzuela November 2, 2001 Page 2

Ву:_____

Printed Name:

1.	Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
2.	Sell all of your mineral interest for \$70.00 per net acre
Your response	e is respectfully requested by November 19, 2001.
Should you ha	we any questions, please do not hesitate to call.
RICHARDSON	Production Company
Sheila A. Fraz	
On this	day of, 2001, we/I hereby elect the following:
*	Participate in proposed drilling and completion attempt, executed AFE is returned herewith.
	Enter into Oil and Gas Lease for \$30.00 per net mineral acre, with lease to provide for a three year primary term and 12.5% royalty in the event of production.
	Sell mineral rights for \$70.00 per net mineral acre.

Ву:_____

Printed Name:

1700 Lincoln, Suite 1700 Denver, Colorado 80203 (303) 530-3000 Fax (303) 830-8009

January 21, 2002

Rhonda Medina and Jose Valenzuela =29 CR 6427 Kirtland, NM 87417

> Certified Mail 7000 1670 0006 8579 3760 Return Receipt Requested

RE: Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1

E/2 Section 7, Township 29 North, Range 14 West

San Juan County, New Mexico

Dear Ms. Medina and Mr. Valenzuela:

Richardson Production Company ("Richardson") proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .50 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7. Township 29 North, Range 14 West. The spacing unit for the Fruitland Coal formation will be the E/2 of Section 7 and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an Authority for Expenditure ("AFE") itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by February 7, 2002. Upon receipt of you executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% non consent penalty and \$5000 drilling/\$500 producing overhead rates. Should you elect to participate Richardson wants you to be aware not only are you participating in the drilling and completing of the well, but also the operating costs of the well, including all plugging liabilities when the well is abandoned.

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production.
- 2. Sell all of your mineral interest for \$70.00 per net mineral acre.

Your response is respectfully requested by February 7, 2002.

Rhonda Medina

Should you have any questions, please contact me at either the letterhead address, by telephone at (303) 830-8000 or by e-mail at rvanblaricom@richardsonoil.com.

Very truly yours	5,
Lelerca	E. Van Blarian
Rebecca E. Van Land Manager	Blaricom
On this	day of, 2002, we/I elect the following:
	Participate in the proposed drilling and completion attempt, executed AFE is returned herewith.
	Enter into Oil and Gas Lease for \$30.00 per net mineral acre, with lease to provide for three year primary term and a 12.5% royalty in the event of production.
	Sell mineral rights for \$70.00 per net mineral acre.
	· •
Rhonda Ma	edina Jose Valenzuela

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth:

530' Fruitland Coal 660' Pictured Cliffs Date:

11/2/2001

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

t.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	1,500
	Title Opinion		3,000		1,500	1,500
*	Drilling (incl. water and mud) 660' @ 15.00/ft		9,900		3,975	5,925
	BOP Rental		750		375	375
	Dlit Work		1,000		2,000	2,000
	Pit Lining		2,800		1,400	
	Surface Casing 200' @ 7.18/ft	1,436			718	718
	Casing Head	1,500			750	1
	Cement Surface	•	2,300		1,150	
	Power Tongs		1,000		500	1 ' 1
	Casing 660' @ 5.50/ft	3,630			1,458	,
	Trucking		4,000		2,000	
	Logs	-	5,000		2,500	4
	Engineering		5,000		2,500	
	Cement Longstring		4,000		1,600	B I
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	
	5.9375% Farmington, NM Tax	0,000	,	3,017	1,421	
	15% Contingency			5,436	2,535	
	Grand Total to Run Casing			59,799	27,881	31,918
II.	Completion Costs			33,133	27,001	}
***	Rig Anchors		750		375	375
	Logs		1			l i
	Perf		3,500		1,750	
			3,500		1,750	
	Wellhead & Fittings	5,000	1		2,500	
	Tubing 660' @ 2.50/ft	1,650			663	
	Stimulation		42,000		21,000	1
	Tool Rental		2,300		1,150	1
	Trucking	-	1,000		2,000	
	Battery Installation		8,000		4,000	1
	Restore Location		4,500		2,250	1
	Englneering		6,500		3,250	1
	Treator, Separator	6,500			3,250	
	Flowline	5,000	1		2,500	
	Tank & Fittings	5,000	1		2,500	
	Gravel	•	4,000		2,000	
	Workover Rig		10,000		5,000	
	Completion Fluids		2,000		1,000	
	Plpeline Hookup		13,000		6,500	
	Division Order Opinion		2,000		1,000	
	Frac Tank Rental		2,500		1,250	
	Flowback		2,000		1,000	1,000
	Fence Location	5,000			2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	·]	8,235		· ·
	10% Contingency	_	•	14,694		
	Drilling Costs	_		59,799		
	Grand Total Well Costs			221,428	108,506	112,922

Approved by:	Date:	\$10828
Approved by:	Date:	\$21
	LC TOTAL	\$10850
		Approved by:Date:

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET ÁL 0.00% Rhonda Medina & Jose Valenzuela

Approved by:	Date:	\$11292.
Approved by:	Date:	
	DC TOTAL	£11202

Rhonda Medina & Jose Valenzuela TOTAL

₹710

November 2, 2001 Randy J. Manning and Dennise Manning ertified Mail: 7000 1670 0006 8579 3647 Postage ll Proposal Certified Fee Return Receiot Fea (Endorsement Required) Postmark Pestricted Delivery Fee (Endorsement Required) Total P Randy J. and Dennise Manning P O Box 25 7000 Kirtland, NM87417 City. Stat to drill a downhole commingled Fruitland Coal and . A recent check of the county records indicates that you own a .45 net acreaterest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7. COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION B. Date of Delivery Enclosed for your review is ar Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. wish to participate in this drill Print your name and address on the reverse AFE to the undersigned by No so that we can return the bald to you.

Attach this card to the back of the mailpiece, C. Signature written request, we will forwar or on the front if space permits. D. Is delivery address different from item and execution, providing for, : 1. Article Addressed to: If YES, enter delivery address below: drilling/\$500 producing overh In the event you do not wish to following options as to your irandy J. and Dennise Manning Service Type O Box 25 Cartified Mail ☐ Express Mail irtland, NM87417 ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D. Restricted Delivery? (Extra Fee) ☐ Yes Article Number (Copy from se

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

Randy J. Manning and Dennise Manning P O Box 25 Kirtland, NM87417

Certified Mail: 7000 1670 0006 8579 3647

Re: Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1 Well

E/2-Section 7-T29N-R14W San Juan County, New Mexico

Dear Mr. & Mrs. Manning:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .45 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
- 2. Sell all of your mineral interest for \$70.00 per net acre

Your response is respectfully requested by November 19, 2001.

Should you have any questions, please do not hesitate to call.

RICHARDSON PRODUCTION COMPANY

Sheila A. Frazier

Sheila A. Frazier, CPL

On this	day of	, 2001, we/I hereby elect the following:	A _b
	Participate in proherewith.	oposed drilling and completion attempt, executed AFE	is returned
		ad Gas Lease for \$30.00 per net mineral acre, with leas primary term and 12.5% royalty in the event of product	-
	Sell mineral righ	nts for \$70.00 per net mineral acre.	
Ву:		Ву:	
Printed Name	•	Printed Name:	

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth: 530' Fruitland Coal

660' Pictured Cliffs

Date:

11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitiand Coal	Pictured Cliffs
	Survey and Permits	-	3,000		1,500	1,500
	Title Opinion		3,000		1,500	1,500
	* Drilling (Incl. water and mud) 660' @ 15.00/ft		9,900		3,975	5,925
	BOP Rental	· •	750	ł	375	375
	Dirt Work		4,000		2,000	2,000
	Pit Lining		2,800		1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436			718	718
	Casing Head	1,500		•	750	750
	Cement Surface		2,300		1,150	1,150
	Power Tongs		1,000)	500	500
	Casing 660' @ 5.50/ft	3,630		İ	1,458	2,173
	Trucking		4,000	}	2,000	
	Logs		5,000	ļ	2,500	2,500
	Engineering		5,000		2,500	2,500
	Cement Longstring		4,000	†	1,600	
	Total Cost to Run Casing	6,566	44,750	51,316		
	5.9375% Farmington, NM Tax	0,300	44,750	3,047	23,926	27,391
	15% Contingency			· ·	1,421	1,626
	- · · · · · · · · · · · · · · · · · · ·		ļ	5,436	2,535	2,902
	Grand Total to Run Casing			59,799	27,881	31,918
II.	Completion Costs			į		
	Rig Anchors		750		375	375
	Logs		3,500		1,750	1,750
	Perf		3,500	1	1,750	1,750
	Wellhead & Fittings	5,000	İ		2,500	2,500
	Tubing 660' @ 2.50/ft	1,650		ĺ	663	988
	Stimulation	- [42,000	j	21,000	21,000
	Tool Rental	-	2,300]	1,150	1,150
	Trucklng		4,000	ì	2,000	2,000
	Battery Installation		8,000	ļ	4,000	4,000
	Restore Location	ŀ	4,500	Į.	2,250	2,250
	Engineering		6,500	Į.	3,250	3,250
	Treator, Separator	6,500	·		3,250	3,250
	Flowline	5,000		Ì	2,500	2,500
	Tank & Fittings				2,500	2,500
	Gravel		4,000	j	2,000	2,000
	Workover Rig		10,000	į	5,000	5,000
	Completion Fluids	j	2,000		1,000	1,000
	Pipeline Hookup		13,000	1	6,500	6,500
	Division Order Opinion	1	2,000		1,000	1,000
	Frac Tank Rental	ł	2,500	ł	1,250	1,250
	Flowback		2,000	1	1,000	1,000
	Fence Location	5,000	2,000	Ī	2,500	2,500
	•		440 550	420 700		
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	- 1]	8,235	4,108	4,127
	10% Contingency			14,694	7,330	7,364
	Drilling Costs	-	ļ	59,799	27,881	31,918
	Grand Total Well Costs			221,428	108,506	112,922

RUITLAND COA	L
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99.877% RICHARDSON OPERATING CO ET AL 0.123% Randy & Dennise Manning

 Approved by:
 Date:
 \$108372

 Approved by:
 Date:
 \$133

 FC TOTAL
 \$108506

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% Randy & Dennise Manning

 Approved by:
 Date:
 \$112922

 Approved by:
 Date:
 \$

 PC TOTAL
 \$112922

Randy & Dennise Manning

TOTAL

ΛI

\$133

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

January 21, 2002

	_					
		SENDER: COMPLETE THIS SECTION	W	COMPLETE THIS SE	CTION ON DELIVE	ne single
Vernon J Manning And Jo Ann Manning P O Box 405		 Complete items 1, 2, and 3. Also or item 4 if Restricted Delivery is desir Print your name and address on the so that we can return the card to your attach this card to the back of the ror on the front if space permits. 	ed. e reverse ou.	A. Received by (Pleas JO Ann M) C. Signature X. June M	- 1	Date of Delivery 30.02 Agent Addressee
Kirtland.	NM 87417	Article Addressed to:		O. is delivery address	.)	⊋ ☐ Yes ☐ No
		Drond Mannens		TO IT TES, SINGE GENTE	y address delow.	-
		Jan Manning				
RE:	Fruitland Coal an ROPCO #7-1	70 Day 100		3. Service Type Certified Mail	☐ Express Mail	for Merchandise
	E/2 Section 7. Tov	Kircland NM 87417		☐ Insured Mail	☐ C.O.D.	
	San Juan County.			4. Restricted Delivery	/? (Extra Fee)	☐ Yes
Dear M	r. and Mrs. Manning	2. Article Number (Copy from service label) 1000	8519 =	25-79		
Richard	Ison Production Cor	PS Form 3811, July 1999	Domestic Retu			102595-00-M-0952
	1 (1 = 11 = 11			- unit for	the Fruitland	
own a	.50 net acre unleased	i mineral interest within the spacing on 7. Township 29 North, Range of Section 7 and the spacing	14 West. The	spacing unit for coursed Cliffs form	ation will be	
Coal for	ormation will be the	on 7. Township 29 North, Range E/2 of Section 7 and the spacing				
the NE	74 of Section 7.	-				
	,	is an Authority for Expenditure	CERT	STAL SERVICE	Compage	Provided)

Enclosed for your review is an Authority for Expenditure well. In the event you wish to participate in this drilling and copy of the AFE to the undersigned by February 7, 2002. I written request, we will forward an AAPL Form 610 Join execution, providing for, among other things, a 300%/100% producing overhead rates. Should you elect to participate R you participating in the drilling and completing of the we including all plugging liabilities when the well is abandoned.

In the event you do not wish to participate, Richardson respeoptions as to your interest:

	I.S. Postal Service CERTIFIED MAIL RECE Domestic Mail Only; No Insurance C	IPT overage Provided)
571	Dantesuc man	
B579 3	Postage S Cartified Fee Return Receipt Fee	Here Postmark
9000	Restricted Delivery Fee (Endorsement Reduired)	
1770	Sent To	
2000	PS Form 3800, May 2000	, See Flowerse for Instruction

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

January 21, 2002

Vernon J Manning And Jo Ann Manning P O Box 405 Kirtland, NM 87417

> Certified Mail 7000 1670 0006 8579 3579 Return Receipt Requested

RE: Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1

E/2 Section 7, Township 29 North, Range 14 West

San Juan County, New Mexico

Dear Mr. and Mrs. Manning:

Richardson Production Company ("Richardson") proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .50 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7. Township 29 North, Range 14 West. The spacing unit for the Fruitland Coal formation will be the E/2 of Section 7 and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an Authority for Expenditure ("AFE") itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by February 7, 2002. Upon receipt of you executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% non consent penalty and \$5000 drilling/\$500 producing overhead rates. Should you elect to participate Richardson wants you to be aware not only are you participating in the drilling and completing of the well, but also the operating costs of the well, including all plugging liabilities when the well is abandoned.

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production.
- 2. Sell all of your mineral interest for \$70.00 per net mineral acre.

Your response is respectfully requested by February 7, 2002.

Should you have any questions, please contact me at either the letterhead address, by telephone at (303) 830-8000 or by e-mail at ryanolaricom@richardsonoil.com.

Very truly yours.

Releven E. Van Blancon

Rebecca E. Van Blaricom Land Manager

Vernon J. Manning

On this	day of, 2002, we/I elect the following:
	Participate in the proposed drilling and completion attempt, executed AFE is returned herewith.
	Enter into Oil and Gas Lease for \$30.00 per net mineral acre, with lease to provide for three year primary term and a 12.5% royalty in the event of production.
	Sell mineral rights for \$70.00 per net mineral acre.
	•

Jo Ann Manning

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth: 5

530' Fruitland Coal

660' Pictured Cliffs

Date:

11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	1,500
	Title Opinion	-	3,000	İ	1,500	1,500
•	' Drilling (Incl. water and mud) 660' @ 15.00/ft		9,900		3,975	5,925
	BOP Rental		750	ł	375	375
	Dirt Work		4,000	}	2,000	2,000
	Pit Lining		2,800		1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436	•	1	718	718
	Casing Head	1,500		1	750	750
	Cement Surface		2,300	j	1,150	1,150
	Power Tongs		1,000	ļ	500	500
	Casing 660' @ 5.50/ft	3,630	1		1,458	2,173
	Trucking	-	4,000		2,000	2,000
	Logs	~	5,000		2,500	2,500
	Engineering		5,000	Í	2,500	(·
	Cement Longstring		4,000		1,600	
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	·
	5.9375% Farmington, NM Tax	3,033		3,047	1,421	1,626
	15% Contingency		1	5,436	2,535	
	Grand Total to Run Casing	·	<u> </u>	59,799	27,881	31,918
II.	Completion Costs		}	33,733	27,001	31,510
***	Rig Anchors		750	ļ	375	375
	Logs		3,500	İ		1
	Perf	i			1,750	
			3,500	1	1,750	
	Wellhead & Fittings	5,000			2,500	
	Tubing 660' @ 2.50/ft,	1,650	43.000		663	986
	Stimulation		12,000	j	21,000	
	Tool Rental		2,300		1,150	
	Trucking	-	1,000		2,000	
	Battery Installation		8,000		4,000	1
	Restore Location		1,500	j	2,250	1
	Engineering	_	6,500	ł	3,250	· ·
	Treator, Separator	6,500			3,250	
	Flowline	5,000		ł	2,500	1
	Tank & Fittings	5,000			2,500	
	Gravel		1,000		2,000	•
	Workover Rig		10,000		5,000	
	Completion Fluids		2,000		1,000	
	Pipeline Hookup		13,000		6,500	
	Division Order Opinion		2,000		1,000	
	Frac Tank Rental		2,500		1,250	
	Flowback		2,000		1,000	1,000
	Fence Location	5,000			2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	,		8,235	4,108	· ·
	10% Contingency	-		14,694	7,330	•
	Drilling Costs			59,799	27,881	
	Grand Total Well Costs		}-	221,428	108,506	112,92

FRUITLAND COAL

99.811% RICHARDSON OPERATING CO ET AL 0.189% Vernon & Jo Ann Manning

Approved by: Approved by:		\$10830 \$20
,,,	FC TOTAL	\$1085C

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% Vernon & Jo Ann Manning

Approved by:	Date:	\$1129
Approved by:	Date:	
	IX. ICITAL	\$1129

Vernou & To Ann Manning

TOTAL

\$1129. **\$2**0

Jeff S. Manning and Tammie G. Manning P O Box 1353 Kirtland, NM 87417

Certified Mai Re: Fruitland Coal and Pictured Cliffs Well Proposal Cardified Fae Receiot Fee ROPCO #7-1 Well E/2-Section 7-T29N-R14W Restricted Delivery Fee (Endorsement Required) San Juan County, New Mexico Total Po Jeff S. and Tammie G. Manning Sent To P O Box 1353 Street, Ac Dear Mr. & Mrs. Manning: Richardson Production Company proposes to drill a dov Pictured Cliffs well on the captioned loads. Kirtland, NM 87417 Pictured Cliffs well on the captioned lands. A recent check of the you own a .50 net acre unlease will be located in the NW/4NI SENDER: COMPLETE THIS SECTION COMPLETE THIS SECTION ON DELIVERY Coal formation will be E/2 of ■ Complete items 1, 2, and 3. Also complete A. Received by (Please Print Clearly) B. Date of Delivery will be the NE/4 of Section item 4 if Restricted Delivery is desired. 12mmieMonnin Print your name and address on the reverse C. Signature so that we can return the card to you. ☐ Agent Enclosed for your review i Attach this card to the back of the mailpiece. or on the front if space permits. wish to participate in this D. Is delivery address different from item 1. Article Addressed to: □ No AFE to the undersigned t If YES, enter delivery address below: written request, we will fe and execution, providing drilling/\$500 producing of Jeff S. and Tammie G. Manning P O Box 1353 3. Service Type ☐ Certified Mail ☐ Express Mail In the event you do not w Kirtland, NM 87417 ☐ Return Receipt for Merchandise ☐ Registered following options as to yo Insured Mail ☐ C.O.D. 4. Restricted Delivery? (Extra Fee) ☐ Yes 2. Article Number (Copy from service label)

PS Form 3811, July 1999

000 1670 0001 8579

Domestic Return Receipt

102595-00-M-0952

Jeff S. Manning and Tammie G. Manning P O Box 1353 Kirtland, NM 87417

Certified Mail: 7000 1670 0006 8579 3708

Re: Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1 Well

E/2-Section 7-T29N-R14W San Juan County, New Mexico

Dear Mr. & Mrs. Manning:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .50 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
- 2. Sell all of your mineral interest for \$70.00 per net acre

Your response is respectfully requested by November 19, 2001.

Should you have any questions, please do not hesitate to call.

RICHARDSON PRODUCTION COMPANY

Sheila A. Frazier

Sheila A. Frazier, CPL

On this	day of	2001, we/I hereby elect the following:					
	Participate in proposed drilling and completion attempt, executed AFE is returned herewith.						
	-	Enter into Oil and Gas Lease for \$30.00 per net mineral acre, with lease to provide for a three year primary term and 12.5% royalty in the event of production.					
	_ Sell mineral rights	for \$70.00 per net mineral acre.					
Ву:		By:					
Printed Na	me:	Printed Name:					

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth: 530' Fruitland Coal

660' Pictured Cliffs

Date:

11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	
	Title Opinion		3,000		1,500	
	* Drilling (incl. water and mud) 660' @ 15.00/ft		9,900		3,975	
	BOP Rental		750		375	1
	Dirt Work		4,000		2,000	2,000
	Pit Uning	~	2,800		1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436		ļ	718	718
	Casing Head	1,500]		750	750
	Cement Surface	·	2,300		1,150	li .
	Power Tongs		1,000		500	1
	Casing 660' @ 5.50/ft	3,630	,		1,458	
	Trucking		4,000		2,000	
	Logs		5,000		2,500	
	Engineering		5,000		2,500	
	Cement Longstring		4,000		1,600	
	·	c ree				
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	
	5.9375% Farmington, NM Tax			3,017	1,421	1,626
	15% Contingency			5,436	2,535	
	Grand Total to Run Casing			59,799	27,881	31,918
II.	Completion Costs			1		
	Rig Anchors		750	1	375	37!
	Logs	· -	3,500		1,750	1,750
	Perf	- i	3,500	İ	1,750	1,750
	Wellhead & Fittings	5,000		1	2,500	2,500
	Tubing 660' @ 2.50/ft	1,650		1	663	988
	Stimulation		42,000	ĺ	21,000	21,000
	· Tool Rental	_	2,300	j	1,150	1,150
	Trucking		4,000		2,000	2,000
	Battery Installation		8,000	ļ	4,000	4,000
	Restore Location		4,500	l	2,250	
	Engineering	Į	6,500		3,250	3,250
	Treator, Separator	6,500	0,500	1	3,250	3,250
	Flowline	5,000			2,500	2,500
	Tank & Filtings	5,000		Í	2,500	2,500
	Gravel		4,000			2,000
	Workover Rig		10,000		2,000	
	Completion Fluids		2,000		5,000	5,000
	Pipeline Hookup	1	13,000	ļ	1,000	1,000
	Division Order Opinion	}			6,500	6,500
	Frac Tank Rental	}	2,000		1,000	1,000
	Flowback		2,500	1	1,250	1,250
			2,000		1,000	1,000
	Fence Location	5,000			2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	[8,235	4,108	4,127
	10% Contingency	-		14,694	7,330	7,364
	Drilling Costs			59,799	27,881	31,918
	Grand Total Well Costs			221,428	108,506	112,922

RUITLAND CO	۱L
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99.863% RICHARDSON OPERATING CO ET AL 0.137% Jeff & Tammie Manning

 Approved by:
 Date:
 \$108357

 Approved by:
 Date:
 \$148

 FC TOTAL
 \$108506

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% Jeff & Tammie Manning

 Approved by:
 Date:
 \$112922

 Approved by:
 Date:
 \$

 PC TOTAL
 \$112922

Jeff & Tammie Manning

TOTAL

£140

Terry Sewell 1405 Camina Sol Farmington, NM 87401

			CERT	istal Service IFIED: MAIL RE :Mail Only; No Insuran		Provided).
	Certified Mai		Propinsky de	parties that septimize the co	্রেকার্ডিক্রিক্রের এক	
Re:	Fruitland Coal and Pictured Cliffs Well Proposal ROPCO #7-1 Well E/2-Section 7-T29N-R14W San Juan County, New Mexico	= = = = = = = = = = = = = = = = = = = =	Cer Return Rei Indorsement i Restricted Oel Indorsement i	Required)		OSIMARK Here
Dear N	Mr. Sewell:	7. –	Total Posti	Terry Sewell 1405 Camina Sol Farmington, NM 8		_
Picture you ov #7-1 v Fruitla forma Enclose wish t AFE t writte and ex	rdson Production Company proposes to drill a downed Cliffs well on the captioned lands. A recent check where well will be located in the NW/4NE/4 of Section 7-T and Coal formation will be E/2 of Section 7, and the tion will be the NE/4 of Section 7. The section will be the NE/4 of S	29N-F spacing complete sired. the reveryou.	S Form 3800. R 14W. ng unit f	May 2000 The spacing unit f	See Refor the iffs ON ON DELIVERABLE SERVICE	Pate of Delivery
	event you do not wish * ving options as to your Terry Sewell 1405 Camina Sol Farmington, NM 87401		-	☐ Registered ☐	I C.O.D.	for Merchandise
	2. Article Number (Copy from service lat 1000 (676 (006 8 PS Form 3811, July 1999	5/9	3609 omestic Ret	durn Receipt		102595-00-M-0952

Terry Sewell 1405 Camina Sol Farmington, NM 87401

Certified Mail: 7000 1670 0006 8579 3609

Re: Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1 Well

E/2-Section 7-T29N-R14W San Juan County, New Mexico

Dear Mr. Sewell:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a 1.3543 x 1/3 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

Terry Sewell November 2, 2001 Page 2

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
- 2. Sell all of your mineral interest for \$70.00 per net acre

Your response is respectfully requested by November 19, 2001.

Should you have any questions, please do not hesitate to call.

RICHARDSON PRODUCTION COMPANY

Sheila A. Frazier

Sheila A. Frazier, CPL

On this	day of	2001, we/I hereby elect the following:
	Participate in proposed dril herewith.	ling and completion attempt, executed AFE is returned
		se for \$30.00 per net mineral acre, with lease to provide m and 12.5% royalty in the event of production.
	Sell mineral rights for \$70.	00 per net mineral acre.
Ву:		By:
Printed Name	, • •	Printed Name:

RICHARDSON OPERATING COMPANY **AUTHORITY FOR EXPEDITURES**

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth: 530' Fruitland Coal

660' Pictured Cliffs

- 11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

[.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	1,500
	Title Opinion		3,000	Ì	1,500	1,500
:	* Drilling (Incl. water and mud) 660' @ 15.00/ft		9,900	1	3,975	5,925
	BOP Rental		750	j	375	375
	Dirt Work	- -	4,000		2,000	2,000
	Pit Lining		2,800		1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436			718	718
	Casing Head	1,500			750	750
	Cement Surface		2,300]	1,150	1,150
	Power Tongs		1,000		500	500
	Casing 660' @ 5.50/ft	3,630			1,458	2,173
	Trucking		4,000	į	2,000	2,000
	Logs		5,000	ł	2,500	2,500
	Engineering		5,000	1	2,500	2,500
	Cement Longstring		4,000	ļ	1,600	2,400
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	27,391
		0,500	44,730			
	5.9375% Farmington, NM Tax 15% Contingency			3,047 5,436	1,421	1,626
			<u> </u>		2,535	2,902
	Grand Total to Run Casing			59,799	27,881	31,918
t.	Completion Costs]		
	Rig Anchors		750		375	375
	Logs		3,500		1,750	1,750
	Perf	-	3,500		1,750	1,750
	.Wellhead & Fittings	5,000			2,500	2,500
	Tubing 660' @ 2.50/ft	1,650	1	1	663	988
	Stimulation		42,000		21,000	21,000
	Tool Rental	-	2,300		1,150	1,150
	Trucking	-	4,000	\$	2,000	2,000
	Battery Installation		8,000	İ	4,000	4,000
	Restore Location		4,500	1	2,250	2,250
	Engineering		6,500		3,250	3,250
	Treator, Separator	6,500			3,250	3,250
	Flowline	5,000		Ì	2,500	2,500
	Tank & Fittings	5,000	- (2,500	2,500
	Gravel	1	4,000	ł	2,000	2,000
	Workover Rig	ļ	10,000	ŀ	5,000	5,000
	Completion Fluids)	2,000		1,000	1,000
	Pipeline Hookup	j	13,000		6,500	6,500
	Division Order Opinlon		2,000		1,000	1,000
	Frac Tank Rental	1	2,500	ĺ	1,250	1,250
	Flowback	l	2,000	i	1,000	1,000
	Fence Location	5,000	2,000	ŀ	2,500	
			110 550	120 700		2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	ı	[8,235	4,108	4,127
	10% Contingency	•	İ	14,694	7,330	7,364
	Drilling Costs		ļ	59,799	27,881	31,918
	Grand Total Well Costs			221,428	108,506	112,922

FRUITLAND COAL

99.877% RICHARDSON OPERATING CO ET AL 0.123% Terry Sewell

Approved by: _ Approved by: _ _Date:_ \$108372 _Date:_ \$134 FC TOTAL \$108506

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% Terry Sewell

Approved by: Approved by:

\$112922 Date: _Date:_ PC TOTAL

Terry Sewell

TOTAL

\$112922 \$134

November 2, 2001	SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION	N ON DELIVERY
Todd Thunell 4269 Hwy 64 Kirtland, NM 87417	 Complete items 1, 2, and 3. Also comitem 4 if Restricted Delivery is desired. Print your name and address on their so that we can return the card to you. Attach this card to the back of the major on the front if space permits. Article Addressed to: 	i. everse	A. Received by (Please Print Cocici Thun Cocic Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocic Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Cocici Thun Coc	Agent Addressee ent from item /? Yes
Re: Fruitland Coal and F ROPCO #7-1 Well E/2-Section 7-T29N San Juan County, No	Todd Thunell 4269 Hwy 64 Kirtland, NM 87417		☐ Registered ☐ R	Express Mail Return Receipt for Merchandise C.O.D. Tra Fee)
	2. Article Number (Copy from service label)	9 35	î 2	
Dear Mr. Thunell:	PS Form 3811, July 1999		sturn Receipt	102595-00-M-0952
Pictured Cliffs well on the cyou own two tracts, a 1.354 spacing unit. The ROPCO R14W. The spacing unit for spacing unit for the Pictures	npany proposes to drill a downly captioned lands. A recent check 3 x 1/3 & a .6432 net acre unless#7-1 well will be located in the or the Fruitland Coal formation of Cliffs formation will be the N	U.S. CE	ounty records indicate Postal Service RTIFIED MAIL R	es that
wish to participate in this di AFE to the undersigned by written request, we will for and execution, providing for drilling/\$500 producing over	h to participate, Richardson res	Returned (Endorse Front P) Total P Sent To	Todd Thunell	Postmark Here
		C.Sy. State		See nevelse lei insulation

Todd Thunell 4269 Hwy 64 Kirtland, NM 87417

Certified Mail: 7000 1670 0006 8579 3593

Re:

Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1 Well

E/2-Section 7-T29N-R14W San Juan County, New Mexico

Dear Mr. Thunell:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own two tracts, a 1.3543 x 1/3 & a .6432 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

Todd Thunell November 2, 2001 Page 2

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
- 2. Sell all of your mineral interest for \$70.00 per net acre

Your response is respectfully requested by November 19, 2001.

Should you have any questions, please do not hesitate to call.

RICHARDSON PRODUCTION COMPANY

Sheila A. Frazier

Sheila A. Frazier, CPL

On this	day of	, 2001, we/I hereby elect the following:	*,
	Participate in proposition herewith.	ed drilling and completion attempt, executed AFE	is returned
		as Lease for \$30.00 per net mineral acre, with lease ary term and 12.5% royalty in the event of producti	-
	Sell mineral rights fo	or \$70.00 per net mineral acre.	
Ву:		Ву:	
Printed Name	:	Printed Name:	

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth: 530' Fruitland Coal

660' Pictured Cliffs

Date:

11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	1,500
	Title Opinion	-	3,000	ļ	1,500	1,500
*	Drilling (incl. water and mud) 660' @ 15.00/ft		9,900		3,975	5,925
	BOP Rental		750		375	375
	Dirt Work	-	4,000		2,000	2,000
	Pit Lining		2,800		1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436			718	
	Casing Head	1,500	[750	750
	Cement Surface		2,300		1,150	1,150
	Power Tongs		1,000		500	500
	Casing 660' @ 5.50/ft	3,630	[[1,458	2,173
	Trucking		4,000		2,000	2,000
	Logs	- '	5,000	Í	2,500	,
	Engineering		5,000	1	2,500	
	Cement Longstring		4,000		1,600	
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	
	5.9375% Farmington, NM Tax	3,5 00	1.,,,,,,,	3,047	1,421	1,626
	15% Contingency			5,436	2,535	2,902
	Grand Total to Run Casing		 	59,799	27,881	31,918
II.	Completion Costs		ĺ	33,733	27,001	31,310
	Rig Anchors		750		375	375
	Logs	_	3,500	1	1,750	1,750
	Perf	1	3,500	l	1,750	1,750
	Wellhead & Fittings	5,000	3,300	1	2,500	
	Tubing 660' @ 2.50/ft	1,650			663	2,300 988
	Stimulation	1,030	42,000			
	Tool Rental		42,000		21,000	21,000
			2,300	j	1,150	1,150
	Trucking	j	4,000	j	2,000	2,000
	Battery Installation		8,000	<u> </u>	4,000	4,000
	Restore Location	j	4,500	j	2,250	2,250
		6 500	6,500		3,250	3,250
	Treator, Separator Flowline	6,500	ļ]	3,250	3,250
	Tank & Fittings	5,000			2,500	2,500
	Gravel	5,000	4 000	j	2,500	2,500
		}	4,000]	2,000	2,000
	Workover Rig		10,000		5,000	5,000
	Completion Fluids	ļ	2,000	į	1,000	1,000
	Pipeline Hookup Division Order Opinion	j	13,000		6,500	6,500
	Frac Tank Rental	j	2,000		1,000	1,000
		}	2,500		1,250	1,250
	Flowback	7 000	2,000		1,000	1,000
	Fence Location	5,000			2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	}	1	8,235	4,108	4,127
	10% Contingency		j	14,694	7,330	7,364
	Drilling Costs]	59,799	27,881	31,918
	Grand Total Well Costs		 	221,428	108,506	112,922

99.701% RICHARDSON OPERATING CO ET AL

0.299% Todd Thunell

Approved by: _ Approved by: _

Approved by:

Approved by:

Date: \$108181
Date: \$325

FC TOTAL

\$108506

710	711	RF	DO	T I	FF

100.00% RICHARDSON OPERATING CO ET AL 0.00% Todd Thunell

Todd Thunell

_Date:____ Date:____ PC TOTAL

\$112922

TOTAL

+77t



1700 Lincoln, Suite 1700 Denver, Colorado 30203 (303) 330-3000 Fax (303) 330-8009

January 22, 2002

STO Energy, Inc. 310 Houston Street, Suite 2000 Fort Worth, TX 75102-5298 Complete items 1, 2, and 3, Also complete item 4 if Pestricted Delivery is castract.					
Complete items 1, 2, and 3, Also complete items 1, 2, and 3, Also complete items 1, 2, and 3, Also complete items 1, 2, and 3, Also complete items 1, 2, and 3, Also complete items 1, 2, and 3, Also complete items 1, 2, and 3, Also complete items 1, 2, and 3, Also complete items 1, 2, and 3, Also complete items 1, 2, and 3, Also complete items 1, 2, and 3, Also complete items 2, and 3, Also complete items 2, and 3, Also complete items 2, and 3, Also complete items 2, and 3, Also complete items 2, and 3, Also complete items 2, and 3, Also complete items 2, and 3, Also complete items 2, and 3, Also complete items 2, and 3, Also complete items 2, and 3, Also complete items 2, and 3, Also complete items 2, and 3, Also complete items 4, Also complete ite	810 Houston Street, Suite 200	OO SENDER: COMPLETE THIS:	SECTION	COMPLETE THIS SECTION ON	F DELIVERY
RE: Fruitand Carl and 11, Article Addressed to: ROPCO #7-1 E/2 Section 7, Townsh San Juan County, Net Southeast Southea		 Complete items 1, 2, and 3, item 4 if Restricted Delivery Print your name and address so that we can return the ca Attach this card to the back or on the front if space perm 	is desired. s on the reverse rd to you. of the mailpiece,	C. Signature	Agent Agent Consissee
Richardson Production Compat	ROPCO #7-1 E/2 Section 7, Tox	vnsh X70 Energy of Ner EID Show I'm St	be. Rect	11	
Enclosed for your review is a weil. In the event you wish to participate in this drilling and completion aucumpt, your review is a weil. In the event you wish to participate in this drilling and completion aucumpt, your review is a weil. In the event you wish to participate in this drilling and completion aucumpt, you wish to participate in this drilling and completing of the weil, including overhead rates. Should you elect to participate Richardson respection in the event you do not wish to participate, Richardson respection options as to your interest: In the event you do not wish to participate, Richardson respection aucumpt, your participate of the weil, including all plugging liabilities when the weil is abandoned. In the event you do not wish to participate, Richardson respection aucumpt, your particle. CERTIFIED MAIL RECEIPT (Damestic Mail Only; No Insurance Coverage Provided) Posting Samura Receipt 102595-00-M-0952 U.S. Postal Service. CERTIFIED MAIL RECEIPT (Damestic Mail Only; No Insurance Coverage Provided) Posting Samura Receipt 102595-00-M-0952 In the event you wish to participate, Richardson respection aucumpt, your participate of the weil, including all plugging liabilities when the weil is abandoned. In the event you do not wish to participate, Richardson respection of the weil, including all plugging liabilities when the weil is abandoned. Total Postage & Fees \$ Service Certified Fee Certified Fee Fercorsement Recurrent Feetured Feetur	Richardson Production Co and Pictured Cliffs well of own a .50 net acre unlease	mpar for West TY i the 7600 i min ion 7 ET2. Article Number (Copy from servi	ice (abel)	☐ Certified Mail ☐ Expre ☐ Registered ☐ Retur ☐ Insured Mail ☐ C.O.1	n Receipt for Merchandise
well. In the event you wish to participate by February 7, 2002. Upon copy of the AFE to the undersigned by February 7, 2002. Upon written request, we will forward an AAPL Form 610 Joint Of written request, we will forward an AAPL Form 610 Joint Of execution, providing for, among other things, a 300%/100% non execution goverhead rates. Should you elect to participate Richardson producing overhead rates. Should you elect to participate Richardson respection including all plugging liabilities when the well is abandoned. In the event you do not wish to participate, Richardson respection options as to your interest: Postage S Certified Fee (Endorsement Required) Postmark Here Postmark Here Postmark Here Postmark Here City State, 2P-4	the NE/4 of Section 7.	² S'Form 3811, July 1999	006 8579	3739 eturn Receipt	102595-00-M-0952
Options as to your interest: Aeturn Aeceiot Fee Fectorsement Required Fee	well. In the event you will copy of the AFE to the use written request, we will execution, providing for, producing overhead rates you participating in the including all plugging lia	forward an AAPL Form 610 among other things, a 300%/10. Should you elect to participal drilling and completing of the bilities when the well is abandon	Joint Ot Op Op Op Op Op Op Op Op Op Op Op Op Op	RTIFIED MAIL REC	CEIDT
Sent To Street, Aot. No.: or PO Box No. City, State, ZIP-4	In the event you do not options as to your interes	wish to participate, Richardson	Retu	Cartified Fee Jim Receiot Fee ment Recuired) ed Cetivery Fee	1
			Street, Ac	DL Na.; ar PO Bax Na. 5. ZIP+4	

1700 Lincoln, Suite 1700 Denver, Colorado 80203 (303) 330-5000 Fax (303) 330-3009

January 22, 2002

XTO Energy, Inc. 810 Houston Street, Suite 2000 Fort Worth, TX 76102-6298

> Certified Mail 7000 1670 0006 8579 3739 Return Receipt Requested

RE: Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1

E/2 Section 7, Township 29 North, Range 14 West

San Juan County, New Mexico

Gentlemen:

Richardson Production Company ("Richardson") proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .50 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7, Township 29 North, Range 14 West. The spacing unit for the Fruitland Coal formation will be the E/2 of Section 7 and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an Authority for Expenditure ("AFE") itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by February 7, 2002. Upon receipt of you executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% non consent penalty and \$5000 drilling/\$500 producing overhead rates. Should you elect to participate Richardson wants you to be aware not only are you participating in the drilling and completing of the well, but also the operating costs of the well, including all plugging liabilities when the well is abandoned.

In the event you do not wish to participate, Richardson respectfully requests you elect one of the following ontions as to your interest:

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production.
- 2. Sell all of your mineral interest for \$70.00 per net mineral acre.

Your response is respectfully requested by February 7, 2002.

Should you have any questions, please contact me at either the letterhead address, by telephone at (303) 830-8000 or by e-mail at rvanblaricom@richardsonoil.com.

Very truly yours,

Rebecca E. Van Blancom
Land Manager

Ernest B. Lamone, a single man

On this	day of, 2002, we/I elect the following:
	Participate in the proposed drilling and completion attempt, executed AFE is returned herewith.
	Enter into Oil and Gas Lease for \$30.00 per net mineral acre, with lease to provide for a three year primary term and a 12.5% royalty in the event of production.
	Sell mineral rights for \$70.00 per net mineral acre.
	•

RICHARDSON OPERATING COMPANY **AUTHORITY FOR EXPEDITURES**

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

530' Fruitland Coal Proposed Depth:

660' Pictured Cliffs

Date:

11/2/01

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitiand Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	
	Title Opinion	-	3,000		1,500	
	* Drilling (Inci. water and mud) 660' @ 15.00/ft		9,900		3,975	
	BOP Rental		750		375	B .
	Dirt Work	-	4,000		2,000	
	Pit Lining		2,800		1,400	1,400
	Surface Casing 200' @ 7.18/ft	1,436	<u> </u>		1 718	718
	Casing Head	1,500	1		750	750
	Cement Surface		2,300		1,150	1,150
	Power Tongs		1,000		500	500
	Casing 660' @ 5.50/ft	3,630	1		1,458	2,173
	Trucking		4,000		2,000	2,000
	Logs	~	5,000	l	2,500	2,500
	Engineering		5,000		2,500	2,500
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	5.9375% Farmington, NM Tax	•	'	3,017	1,421	1,626
	15% Contingency		1	5,436	2,535	
	Grand Total to Run Casing			59,799	27,881	31,918
11.	Completion Costs			05,1.55	2,,002	52,520
	Rig Anchors		750	ł	375	375
	Logs	_	3,500		1,750	
	Perf				·	
	Wellhead & Fillings		3,500	-	1,750	1,750
		5,000	j		2,500	2,500
	Tubing 660' @ 2.50/ft	1,650	43,000		663	988
	. Tool Rental		42,000		21,000	21,000
	Trucking		2,300		1,150	1,150
			4,000		2,000	2,000
	Battery Installation		8,000		4,000	4,000
	Restore Location		4,500	1	2,250	2,250
	Engineering	6 500	6,500	ſ	3,250	3,250
	Treator, Separator Flowline	6,500]	į	3,250	3,250
		5,000		Ī	2,500	2,500
	Tank & Fittings	5,000	4 000	ł	2,500	2,500
		ł	4,000	ł	2,000	2,000
	Workover Rig		10,000		5,000	5,000
	Completion Fluids	j	2,000	i	1,000	1,000
	Pipeline Hookup		13,000	1	6,500	6,500
	Division Order Opinion	j	2,000	j	1,000	1,000
	Frac Tank Rental]	2,500		1,250	1,250
	Flowback	1	2,000		1,000	1,000
	Fence Location	5,000			2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	ł	Ì	8,235	4,108	4,127
	10% Contingency	•	1	14,694	7,330	7,364
	Drilling Costs		1	59,799	27,881	31,918
	Grand Total Well Costs			221,428	108,506	112,922

•	R	U	11	v	N	D	CO	۸	Ĺ
	•	•		_	•••	•	~~		•

99.433% RICHARDSON OPERATING CO ET AL 0.567% XTO Energy, Inc.

\$107890 Approved by: Date: \$616 Approved by: _ Date: \$108506 FC TOTAL

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% XTO Energy, Inc.

Approved by: Date: Approved by: _ _Date:_ PC TOTAL \$112922

XTO Energy Inc.

TOTAL

Mary Coult provide Dury Coult Harry Jim and Karen Jim 1700 Lincoln St., Suite 1700 Richardson Production Co. P O Box 27 SENDER: COMPLETE THIS SECTION COMPLETE THIS SECTION ON DELIVERY ■ Complete items 1, 2, and 3. Also complete A. Received by (Please Print Clearly) 8. Date of Delivery item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. C. Signature Attach this card to the back of the mailpiece, ☐ Agent or on the front if space permits. ☐ Addressee 0. Is delivery address different from item 1? ☐ Yes 1. Article Addressed to: If YES, enter delivery address below: Jim and Karen Jim Ø Box 275 Service Type ruitland, NM 87416 Certified Maii ☐ Express Mail ☐ Return Receipt for Merchandise ☐ C.O.D. Insured Mail 4. Restricted Delivery? (Extra Fee) ☐ Yes 2. Article Nijmger (Copy from centine labor

1700 Eincoln, Suite 1700 Denver, Colorado 30203 (303) 330-3000 Fax (303) 830-8009

November 2, 2001

Harry Jim and Karen Jim P O Box 275 Fruitland, NM 87416

Certified Mail: 7000 1670 0006 8579 3111

Re:

Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1 Well

E/2-Section 7-T29N-R14W San Juan County, New Mexico

Dear Mr. & Mrs. Jim:

Richardson Production Company proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a 1.1358 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7-T29N-R14W. The spacing unit for the Fruitland Coal formation will be E/2 of Section 7, and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an AFE itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by November 19, 2001. Upon receipt of your executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% nonconsent penalty and \$5000 drilling/\$500 producing overhead rates.

In the event you do not wish to participate, Richardson respectfully requests you elect one of the following options as to your interest:

- 1. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production
- 2. Sell all of your mineral interest for \$70.00 per net acre

Your response is respectfully requested by November 19, 2001.

Should you have any questions, please do not hesitate to call.

RICHARDSON PRODUCTION COMPANY

Sheila A. Frazier

Sheila A. Frazier, CPL

On this	day of	, 2001, we/I hereby elect the following:	**,
	Participate in propherewith.	oosed drilling and completion attempt, executed AFE is	returned
	•	Gas Lease for \$30.00 per net mineral acre, with lease timary term and 12.5% royalty in the event of production	•
	Sell mineral right	s for \$70.00 per net mineral acre.	
Нагту Јіт		Karen Jim	

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth:

530' Fruitland Coal

660' Pictured Cliffs

Date:

11/2/2001

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	1,500
	Title Opinion	-	3,000		1,500	1,500
:	* Drilling (incl. water and mud) 660' @ 15.00/ft		9,900		3,975	5,925
	BOP Rental		750		375	375
	Dirt Work		4,000		2,000	2,000
	Pit Lining		2,800		1,400	· ·
	Surface Casing 200' @ 7.18/ft	1,436	,		718	
	Casing Head	1,500			750	750
	Cement Surface	,	2,300		1,150	1
	Power Tongs		1,000		500	,
	Casing 660' @ 5.50/ft	3,630	•	•	1,458	l .
	Trucking		1,000		2,000	
	Logs		5,000		2,500	1
	Engineering		5,000		2,500	1
	Cement Longstring		4,000		1,600	
		C FCC		F1 216		
	Total Cost to Run Casing	6,566	44,750	51,316	23,926	
	5.9375% Farmington, NM Tax			3,047	1,421	1,626
	15% Contingency			5,436	2,535	
	Grand Total to Run Casing			59,799	27,881	31,918
II.	Completion Costs					
	Rig Anchors		750		375	1
	Logs		3,500		1,750	
	Perf		3,500		1,750	
	Wellhead & Fittings	5,000	ļ		2,500	2,500
	Tubing 660' @ 2.50/ft	1,650			663	988
	Stimulation		42,000		21,000	21,000
	Tool Rental		2,300		1,150	1,150
	Trucking		4,000		2,000	2,000
	Battery Installation		8,000		4,000	4,000
	Restore Location	l	4,500		2,250	2,250
	Engineering		6,500		3,250	3,250
	Treator, Separator	6,500			3,250	3,250
	Flowline	5,000			2,500	2,500
	Tank & Fittings	5,000			2,500	2,500
	Gravel		4,000		2,000	2,000
	Workover Rig		10,000		5,000	5,000
	Completion Fluids		2,000		1,000	1,000
	Pipeline Hookup		13,000		6,500	6,500
	Division Order Opinion		2,000		1,000	1,000
	Frac Tank Rental		2,500	İ	1,250	
	Flowback		2,000		1,000	1,000
	Fence Location	5,000	· 1		2,500	2,500
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	20,130	110,550	8,235	4,108	4,127
		ı	l			
	10% Contingency		ļ	14,694	7,330	7,364
	Drilling Costs		ŀ	59,799	27,881	31,918
	Grand Total Well Costs		[221,428	108,506	112,922

RUITLAND COAL

99.689% RICHARDSON OPERATING CO ET AL 0.311% Harry & Karen Jim, h/w

Approved by:	Date:	\$108169
Approved by:	Date:	\$337
	FC TOTAL	₹108506

ICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% Harry & Karen Jim, h/w

Approved by:	
	Harry & Karen Jim, h/w

Approved by:

Date:_____ PC TOTAL

TOTAL

Date:

\$112922 \$337 1700 Lincoln, Suite 1700 Denver, Colorado 80203 (303) 330-8000 Fax (303) 330-8009

February 13, 2002

Bryan Washburn and/or Penny Washburn P O Box 208 SENDER: COMPLETE THIS SECTION COMPLETE THIS SECTION ON DELIVERY Kirdand, NM 87417 Complete items 1, 2, and 3. Also complete B. Date of Deliver item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. ☐ Agent Attach this card to the back of the mailpiece, or on the front if space permits. ☐ Addressee ☐ Yes delivery address different from item 1? 1. Article Addressed to: RE: Fruitland Coal and Pic ☐ Np If YES, enter delivery address below: ROPCO #7-1 BRYAN WASHBURN E/2 Section 7, Township San Juan County, New

Dear Mr. and Mrs. Washburn:

Richardson Production Company and Pictured Cliffs well on the callown a 50 net acre unleased minenin the NW/4NE/4 of Section 7. T Coal formation will be the E/2 of the NE/4 of Section 7.

ANOLOR
PENNY WASHBURU
POBOX 208
Kirtland NM 87417

2. Article Number (Copy from service (abel)

7000 1670 000

8529 2640

Service Type

E Certified Mail

☐ Registered

Insured Mail

4. Restricted Delivery? (Extra Fee)

☐ Express Mail

☐ C.O.D.

Return Receipt for Merchandise

PS Form 3811, July 1999

Domestic Return Receipt

10259**5-99-M-**1789

Yes

Enclosed for your review is an Authority for Expenditure ("AFE") itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by February 28, 2002. Upon receipt of you executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% non consent penalty and \$5000 drilling/\$500 producing overhead rates. Should you elect to participate Richardson wants you to be aware not only are you participating in the drilling and completing of the well, but also the operating costs of the well.

DITIE	al Sei	rvice	:	2.43		
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restic Ma	ur Cinty;	No Insu	rance Co	verage	Provid	eri)

Richardson respectfully requests you elect one of the following

Postage S	
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d Oelivery Fee ment Required)	
stage & Fees S	
No.; SPPO Bax No.	
Za Z	

1700 Lincoln, Suite 1700 Denver, Calorado 30203 (303) 330-3000 Fax (303) 330-3009

February 13, 2002

Bryan Washburn and/or Penny Washburn P O Box 208 Kirtland, NM 87417

> Certified Mail 7000 1670 0006 8579 2640 Return Receipt Requested

RE:

Fruitland Coal and Pictured Cliffs Well Proposal

ROPCO #7-1

E/2 Section 7, Township 29 North, Range 14 West

San Juan County, New Mexico

Dear Mr. and Mrs. Washburn:

Richardson Production Company ("Richardson") proposes to drill a downhole commingled Fruitland Coal and Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a .50 net acre unleased mineral interest within the spacing unit. The ROPCO #7-1 well will be located in the NW/4NE/4 of Section 7, Township 29 North, Range 14 West. The spacing unit for the Fruitland Coal formation will be the E/2 of Section 7 and the spacing unit for the Pictured Cliffs formation will be the NE/4 of Section 7.

Enclosed for your review is an Authority for Expenditure ("AFE") itemizing the estimated costs for the well. In the event you wish to participate in this drilling and completion attempt, please return an executed copy of the AFE to the undersigned by February 28, 2002. Upon receipt of you executed AFE, or by prior written request, we will forward an AAPL Form 610 Joint Operating Agreement for your review and execution, providing for, among other things, a 300%/100% non consent penalty and \$5000 drilling/\$500 producing overhead rates. Should you elect to participate Richardson wants you to be aware not only are you participating in the drilling and completing of the well, but also the operating costs of the well, including all plugging liabilities when the well is abandoned.

In the event you do not wish to participate. Richardson respectfully requests you elect one of the following options as to your interest:

- I. Enter into an oil and gas lease that provides for a three year primary term with bonus consideration based on \$30.00 per net acre and a 12.5% royalty in the event of production. An oil and gas lease is enclosed should you elect to lease your minerals to Richardson, as well as a W-9 Request for Tax Payer Identification and Certification.
- 2. Sell all of your mineral interest for \$70.00 per net mineral acre.

Your response is respectfully requested by February 28, 2002.

Should you have any questions, please contact me at either the letterhead address, by telephone at (303) 330-8000 or by e-mail at rvanblaricom@richardsonoil.com.

Very truly yours,	
Relucca E.	an Blureum

Rebecca E. Van Blaricom Land Manager

Вгу	an Washburn	. Penny	Washburu
	Sell mineral rights for	S70.00 per net mineral acre.	g .
		as Lease for \$30.00 per net mineral acre m and a 12.5% royalty in the event of p herewith.	
	Participate in the propherewith.	posed drilling and completion attempt, ex	ecuted AFE is returned
Ou gars	day of	2002, we/I elect the following:	

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: ROPCO #7-1 (PC NE/4), (FC E/2)

Location: T29N R14W Sec. 7

Proposed Depth:

530' Fruitland Coal

660' Pictured Cliffs

Date:

2/13/02

Objective Formation: Commingled Pictured Cliffs and Fruitland Coal

I.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
	Survey and Permits		3,000		1,500	1,500
	Title Opinion	-	3,000		1,500	1,500
:	* Drilling (incl. water and mud) 660' @ 15.00/ft		9,900		3,975	5,925
	BOP Rental		750		375	375
	Dirt Work	_	4,000		2,000	2,000
	Pit Lining	~ -	2,800		1,400	
	Surface Casing 200' @ 7.18/ft	1,436			718	
	Casing Head	1,500			750	ł .
	Cement Surface		2,300		1,150	1
	Power Tongs		1,000		500	
	Casing 660' @ 5.50/ft	3,630			1,458	
	Trucking		4,000		2,000	1
	Logs		5,000		2,500	
	Engineering		5,000		2,500	
	Cement Longstring		4,000		1,600	
	Total Cost to Run Casing	6,566	41,750	51,316	23,926	
	5.9375% Farmington, NM Tax	0,500	41,730	3,047	1,421	I .
	15% Contingency		' I	·		1,626
			· }_	5,436	2,535	
	Grand Total to Run Casing)	59,799	27,881	31,918
II.	Completion Costs		1			
	Rig Anchors		750		375	375
	Logs	-	3,500		1,750	1,750
	Perf		3,500		1,750	1,750
	Wellhead & Fittings	5,000			2,500	2,500
	Tubing 660' @ 2.50/ft	1,650	ľ		663	988
	Stimulation	1	42,000		21,000	21,000
	Tool Rental		2,300		1,150	1,150
	Trucking	İ	4,000		2,000	2,000
	Battery Installation		8,000		4,000	4,000
	Restore Location		4,500		2,250	2,250
	Engineering		6,500		3,250	3,250
	Treator, Separator	6,500	Ī		3,250	3,250
	Flowline	5,000	1	ſ	2,500	2,500
	Tank & Fittings	5,000			2,500	2,500
	Gravel		4,000		2,000	2,000
	Workover Rig	Ì	10,000		5,000	5,000
	Completion Fluids	Ī	2,000		1,000	1,000
	Pipeline Hookup	ľ	13,000		6,500	6,500
	Division Order Opinion	1	2,000	ļ	1,000	1,000
	Frac Tank Rental	j	2,500	ļ	1,250	1,250
	Flowback	1	2,000		1,000	1,000
	Fence Location	5,000	2,000		2,500	2,500
	F		110 550	120 700		
	Total Completion Costs	28,150	110,550	138,700	69,188	69,513
	5.9375% Farmington, NM Tax	1		8,235	4,108	4,127
	10% Contingency		ļ	14,694	7,330	7,364
	Drilling Costs		<u> </u> _	59,799	27,881	31,918
	Grand Total Well Costs			221,428	108,506	112,922

FRUITLAND COAL

99.147% RICHARDSON OPERATING CO ET AL 0.853% Bryan Washburn and/or Penny Washburn

 Approved by:
 Date:
 \$107580

 Approved by:
 Date:
 \$926

 FC TOTAL
 \$108506

PICTURED CLIFFS

100.00% RICHARDSON OPERATING CO ET AL 0.00% Bryan Washburn and/or Penny Washburn

Approved by:	Date:	\$112922
Approved by:	Date:	\$
	PC TOTAL	\$112922

Bryan Washburn TOTAL

OIL AND GAS LEÁSE

THIS AGREEMENT, made and entered into this 13th day of February , 20 02, by and between Bryan Washburn and the Penny Washburn, husband and wife whose post office address is PQ Dox 208, Kitland, New Mexico 87417 , hereinafter called Lessor (whether one or more) and RICHARDSON PRODUCTION COMPANY, whose post office address is 1700 Lincoln, Suite 1700, Denver, Colorado 80203, hereinafter called Lessee.
WITNESSETII, That the Lessor, for and in consideration of Ten and more (\$10.00 & more) DOLLARS, cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, with rights of way and ensements for laying pipe lines, and erection of structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of
Township 29 North, Range 14West, N.M.P.M. Section 7: For legal description see Exhibit "A" attached hereto and made a part hereof No well shall be drilled on the leased premises without first obtaining from Lessor their written consent

and containing 2,73, acres, more or less.

1. It is agreed that this lease shall remain in force for a term of five (5) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from said leased premises or on acreage pooled therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises or on acreage pooled therewith but Lessee is than engaged in drilling or re-working operations thereon, then this lease shall continue in force as long as operations are being continuously prosecuted on the leased premises or on acreage pooled therewith; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased premises or on acreage pooled therewith.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter according as to the acreage surrendere

according as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all

Ist. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor one-eighth (1/8) of the gross proceeds each year, payable quarterly, for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of one-eighth (1/8), payable monthly at the prevailing market rate for gas.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product a royalty of one-eighth (1/8) of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the naniversary date of this lease during the period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple therein, then the royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee

gas royalty) berein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from the wells of

Lessor.

When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

7. When requested by Lesser, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lesser.

9. Lessee shall pay for daminges caused by Lessee's operations to growing crops on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove easing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded documents and other information necessary to establish a complete chain of record title from Lessor, than then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner. owner shall be liable for any act or omission of any other leasehold owner.

diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any not or omission of any other tensehold owner.

12. Lessee, at its option is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unlike the leasehold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in the Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing and filling of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon which a well has therefore been completed or upon which operations or a will shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were production, drilling or reworking operations or a well shut in for want of a market anywhere on a unit which includes all or appared to this lease, such allocation shall be that proportion of such production that the load number of surface acres are overed by this lease and included in a part of this lease, such allocation shall be that proportion of such production that the load number of su

nny such Law, Order, Rule or Regulation.

any such Law, Order, Rule or Regulation.

14. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestend in the premises described herein, insofar as said right of dower and homestend may in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor" as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Tnx ID No.:	THE R. L. S. S. S. SERVICE CO. S. S. S. S. S. S. S. S. S. S. S. S. S.
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EXHIBIT "A"

Attached to and made a part of that Oil and Gas Lease between Bryan Washburn and/or Penny Washburn, husband and wife, as Lessor, and Richardson Production Company, as Lessee, dated February 13, 2002.

Township 29 North, Range 14 West, N.M.P.M.

Section 7: A portion of Lots 1 and 2 and all of Lots 3 thru 7 of the Manning's Acre Subdivision, as shown on the plat of said subdivision filed for record in the office of the County Clerk of San Juan County, New Mexico, on February 16, 1973, being described as follows:

BEGINNING at the Northeast corner of said Lot 1;

THENCE South 89'47'00" West 756.00 feet along the North line of said subdivision;

THENCE South 200.00 feet to a point on the North line of Manning Drive;

THENCE 89'47'00" East 540.00 feet along said North line;

THENCE North 175.00 feet;

THENCE North 89'47'00" East 108.00 feet;

THENCE South 50.00 feet'

THENCE North 89'47'00" East 108.00 feet;

THENCE North 75.00 feet to the point of beginning.

Containing 2.73 acres, more or less San Juan County, New Mexico

IED FOR IDENTIFICATION			
Bryan Washburn			
Penny Washburn			

END OF EXHIBIT "A"