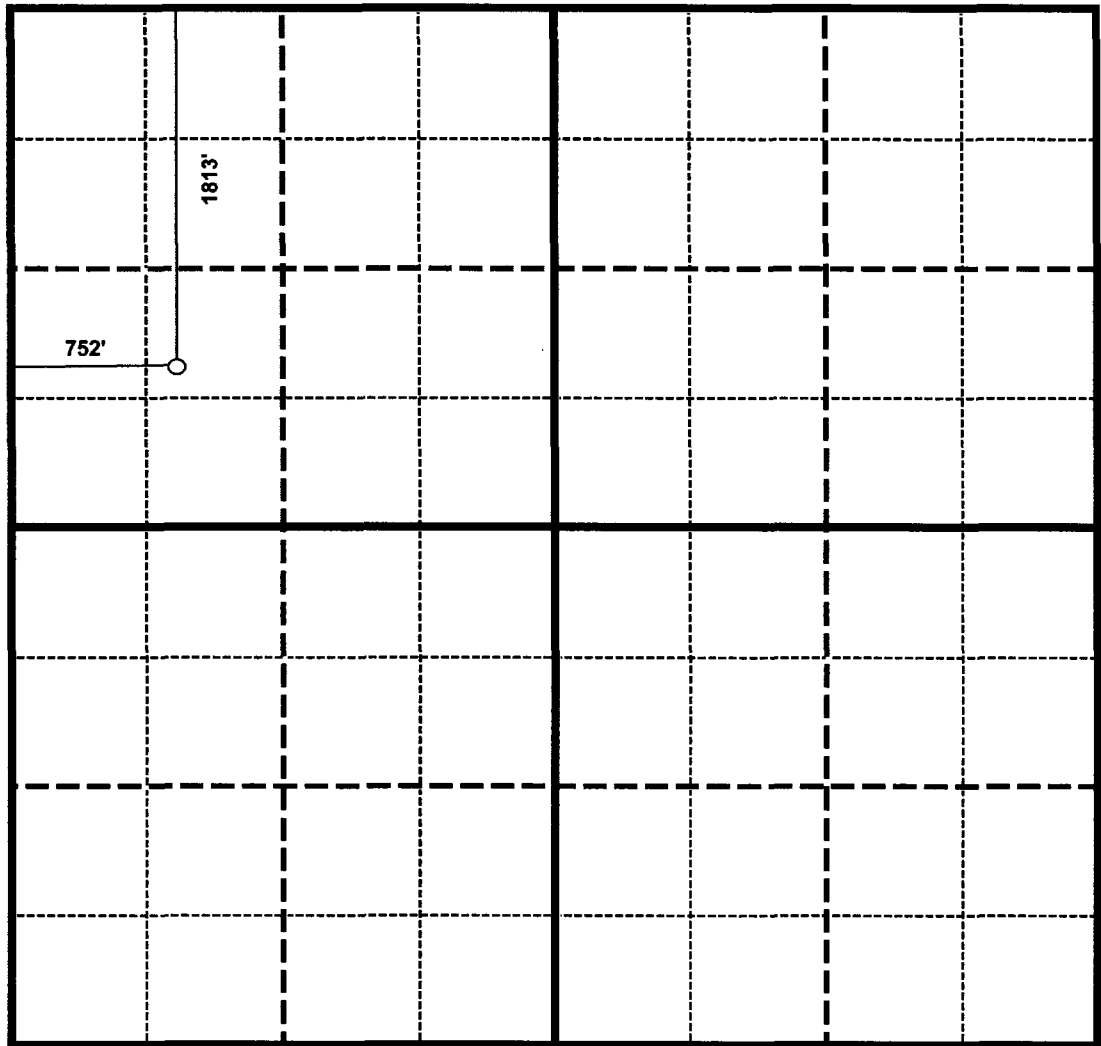


FRPC 21-2 WELL - GAS
 NW/4 SECTION 21, TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM
 WEST KUTZ PICTURED CLIFFS
 PROPOSED DEPTH OF 1200'



RICHARDSON OPERATING COMPANY LEASEHOLD INTEREST	65.09%
UNLEASED MINERAL INTEREST TO BE FORCE POOLED	34.91%

BEFORE THE
 OIL CONSERVATION DIVISION
 Case No. 12854 Exhibit No. —
 Submitted By:
Richardson Production
 Hearing Date: July 11, 2002

**List of Unleased Mineral Owners
Nature & percent of interest
Richardson Operating Company
FRPC 21-2 Well
NW/4 Sec. 21 – T29N-R13W NMPM
San Juan County, New Mexico**

Name & Address	Acreage	Percent of Interest
Ronald Elkins 1539 East Elmwood Circle Mesa, AZ 85203	2.38	1.49%
Frederick Elkins and Laurie Elkins 1050 East 760 North Orem, UT 84097	2.38	1.49%
Richard Elkins and Cassandra Elkins 231115 Summers Drive San Antonio, TX 78258	2.38	1.49%
Forest Elkins and Patricia Elkins 1303 Lazy Lane San Marcus, TX 78666	2.38	1.49%
First National Bank Iowa City, Iowa, Trustee 204 West Washington Iowa City, IA 52244	5.00	3.13%
City of Farmington 800 Municipal Drive Farmington, NM 87401	3.52	2.20%
Wells Fargo Bank, N.A. 4601 East Main, Suite #1 Farmington, NM 87402	28.35	17.74%
William R. Amos 610 West Animas Farmington, NM 87401	0.47	0.29%
Dr. William A. Hall 416 North Behrend Farmington, NM 87401	5.00	3.13%
State of New Mexico Hwy Dept. P. O. Box 1149 Santa Fe, NM 87503	3.93	2.46%
TOTAL UNLEASED	55.79	34.91%

BEFORE THE
OIL CONSERVATION DIVISION
Case No. 12854 Exhibit No. 2
Submitted By:
Richardson Production
Hearing Date: July 11, 2002



RICHARDSON PRODUCTION COMPANY

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

March 15, 2002

Ronald Elkins
1539 East Elmwood Circle
Mesa, AZ 85203

Certified Mail 7000 1670 0011 3736 5276
Return Receipt Requested

RE: Pictured Cliffs Well Proposal
F-RPC 21-2
NW/4 Section 21, Township 29 North, Range 13 West
San Juan County, New Mexico

Dear Mr. Elkins:

Richardson Production Company ("Richardson") proposes to drill a Pictured Cliffs well on the captioned lands. A recent check of the county records indicates that you own a net acre unleased mineral interest within the spacing unit. The well will be located in the NW/4 of Section 21, Township 29 North, Range 13 West. The spacing unit for the Pictured Cliffs formation will be the NW/4 of Section 21.

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 April 2, 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:

Attn: NM
Case No 12854
Exh. #3
7-11-2002

March 15, 2002

1. Enter into an oil and gas lease that provides for a five year primary term with bonus consideration based on \$50.00 per net acre and a 12.5% royalty in the event of production. An Oil and Gas Lease is enclosed for your execution should you choose this option.
2. Sell all of your mineral interest for \$100.00 per net mineral acre.

Your response is respectfully requested by .

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 Blaricom
Rebecca E. Van Blaricom
Land Manager

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 \$50.00 per net mineral acre, with lease to provide for a five year primary term and a 12.5% royalty in the event of production.

Sell mineral rights

COMPLETE THIS SECTION

Items 1, 2, and 3. Also complete Restricted Delivery is desired. Name and address on the reverse can return the card to you. Attach to the back of the mailpiece, if space permits.

Addressed to:

Ronald Elkins
539 East Elmwood Circle
Tulsa, AZ 85203

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)	B. Date of Delivery
<i>RON ELKINS</i>	<i>3/25</i>
C. Signature	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
<i>X [Signature]</i>	
D. Is delivery address different from item 1?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If YES, enter delivery address below:	

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

(Copy from service label)

0 1670 0111 3736 5276

Domestic Return Receipt

102595-00-M-0952

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 \$50.00 per net mineral acre, with lease to provide for a five year primary term and a 12.5% royalty in the event of production.

Sell mineral rights for \$100.00 per net mineral acre.

COMPLETE THIS SECTION

Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired. Write your name and address on the reverse of this card to the back of the mailpiece, in the front if space permits.

Addressed to:

Frederick Elkins and Laurie Elkins
1050 East 760 North
Orem, UT 84097

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date

C. Signature

X

D. Is delivery address different from the address on the front of the mailpiece? If YES, enter delivery address below.

649 So. 850 East
Orem UT 84097

Service Type

☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

U.S. Postal Service
CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	\$
Return Receipt Fee (Endorsement Required)	\$
Restricted Delivery Fee (Endorsement Required)	\$

Postmark Here

Total

Sent To

Street

City, S

Frederick Elkins and Laurie Elkins
1050 East 760 North
Orem, UT 84097

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 \$50.00 per net mineral acre, with lease to provide for a five year primary term and a 12.5% royalty in the event of production.

Sell mineral rights for \$100.00 per net mineral acre.

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, on the front if space permits.

Mailpiece Addressed to:

Richard Elkins and Cassandra Elkins
23115 Summers Drive
San Antonio, TX 78258

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) [Signature] B. Date of Delivery 3/21/02
C. Signature X Cass Elkins ☐ Agent ☐ Addressee
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

Tracking Number (Copy from service label)

**Postal Service
CERTIFIED MAIL RECEIPT**
(Certified Mail Only; No Insurance Coverage Provided)

Postage \$ _____
Certified Fee _____
Return Receipt Fee (if required) _____
Restricted Delivery Fee (if required) _____

Postmark
Here

Post

Apt.

State, ZIP

Richard Elkins and Cassandra Elkins
23115 Summers Drive
San Antonio, TX 78258

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 \$50.00 per net mineral acre, with lease to provide for a five year primary term and a 12.5% royalty in the event of production.

Sell mineral rights for \$100.00 per net mineral acre.

SENDER: COMPLETE THIS SECTION

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

Article Addressed to:

Forrest Elkins and Patricia Elkins
1303 Lacy Lane
San Marcos, TX 78666

RECEIVED

MAR 25

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Pat Elkins B. Date of Delivery 3-26-02

C. Signature Pat Elkins ☐ Agent ☐ Addressee

D. Is delivery address different from Item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type: ☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.
4. Restricted Delivery? (Extra Fee) ☐ Yes

Postal Service
CERTIFIED MAIL RECEIPT

Domestic Mail Only; No Insurance Coverage Provided

Postage	\$
Certified Fee	
Return Receipt Fee (if required)	
Restricted Delivery Fee (if required)	

Post
H
To
At
Via

Forrest Elkins and Patricia Elkins
1303 Lacy Lane
San Marcos, TX 78666

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 \$50.00 per net mineral acre, with lease to provide for a five year primary term and a 12.5% royalty in the event of production.

_____ Sell mineral rights for \$100.00 per net mineral acre.

DEPT. 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, on the front if space permits.

Addressed to:

First National Bank Iowa City, Iowa, Trustee
204 West Washington
Iowa City, IA 52244

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date

C. Signature

D. Is delivery address different from item 1? If YES, enter delivery address below:

3. Service Type

- ☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Y

U.S. Postal Service
CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage \$
Certified Fee
Return Receipt Fee (Endorsement Required)
Restricted Delivery Fee (Endorsement Required)

Total Postage

Sent To
Street, Apt. No.
City, State, Zip

First National Bank Iowa City, Iowa, Trustee
204 West Washington
Iowa City, IA 52244

Tracking Number (Copy from service label)

7000 1670 0011 3736 5144

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 \$50.00 per net mineral acre. with lease to provide for a five year primary term and a 12.5% royalty in the event of production.

_____ Sell mineral rights for \$100.00 per net mineral acre.

DE: 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, on the front if space permits.

Addressed to:

City of Farmington
800 Municipal Drive
Farmington, NM 87401

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of

KEND A Keith 3-20

C. Signature

Kend A Keith

D. Is delivery address different from item 1? ☐ Yes ☒ No

If YES, enter delivery address below:

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes ☒ No

U.S. Postal Service
CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

Postage \$
Certified Fee
Return Receipt Fee (Endorsement Required)
Restricted Delivery Fee (Endorsement Required)

Postmark
Here

City of Farmington
800 Municipal Drive
Farmington, NM 87401

Tracking Number (Copy from service label)

7000 1670 0011 3736 5160

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 \$50.00 per net mineral acre, with lease to provide for a five year primary term and a 12.5% royalty in the event of production.

_____ Sell mineral rights for \$100.00 per net mineral acre.

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.

Title Addressed to:

Wells Fargo Bank, N.A.
4601 East Main, Suite #1
Farmington, NM 87402

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Geraldine Davis B. Date of Delivery 2/3/02
C. Signature [Signature] ☐ Agent ☒ Addressee
D. Is delivery address different from Item 1? ☐ Yes ☒ No
If YES, enter delivery address below:

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

Postal Service

CERTIFIED MAIL RECEIPT

(Certified Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (if Payment Required)	
Restricted Delivery Fee (if Payment Required)	

Postmark Here

Wells Fargo Bank, N.A.
4601 East Main, Suite #1
Farmington, NM 87402

Article Number (Copy from service label)

7000 1670 0011 3536 5115

Sell mineral rights for \$100.00 per net mineral acre.

COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Write your name and address on the reverse of this card to the back of the mailpiece, the front if space permits.

Addressed to:

Mr. William R. Amos, Trustee
610 West Animas
Farmington, NM 87401

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

William R. Amos

C. Signature

X William R. Amos

☐ Agent

☐ Addressee

D. Is delivery address different from item 1?

☐ Yes

☐ No

If YES, enter delivery address below:

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☒ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

Number (Copy from service label)

7400 1670 0011 3736 5108

102505-00-M-0952

Postal Service
CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (if required)	
Restricted Delivery Fee (if required)	

Postmark
Here

Post

To

At

State

Mr. William R. Amos, Trustee
610 West Animas
Farmington, NM 87401

Form 3800, May 2000

BEFORE: COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Write your name and address on the reverse of this card to the back of the mailpiece, on the front if space permits.

Addressed to:

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

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date

William E. Sherlock 03

C. Signature

[Signature]

D. Is delivery address different from item 1?

If YES, enter delivery address below:

3. Service Type

- ☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for M
☐ Insured Mail ☐ C.Q.D.

4. Restricted Delivery? (Extra Fee)

U.S. Postal Service
CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total	

Postmark
Here

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

ESTS 9E2E TFOO 029T 000
000 1670 0011 3736 5153

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 \$50.00 per net mineral acre, with lease to provide for a five year primary term and a 12.5% royalty in the event of production.

_____ Sell mineral rights for \$100.00 per net mineral acre.

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.

Article Addressed to:

State of New Mexico Highway Department
P O Box 1149
Santa Fe, NM 87503

Article Number (Copy from service label)

7000 1620 0011 3736 5139
Form 3811, July 1999

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

X

☐ Agent
☐ Addressee

D. Is delivery address different from Item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

MAR 20 2002

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

Postal Service

CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage \$

Certified Fee

Return Receipt Fee
(if Payment Required)

Registered Delivery Fee
(if Payment Required)

Postmark
Here

State of New Mexico Highway Department
P O Box 1149
Santa Fe, NM 87503

Fax

To: Mike Sullivan **From:** Rebecca Van Blaricom

Fax: 505-599-1299 **Pages:** 10

Phone: **Date:** 3/19/02

Re: W/2 Section 21-T29N-R13W [Click here and type name]

☒ **Urgent** ☐ **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Please Recycle**

Mike,

Kitty Wood, Permits West, requested I facsimile the package I sent via Certified Mail on Monday, March 18, 2002 regarding the drilling by Richardson Production Company of the F-RPC 21-2 located in the NW/4 Section 21-T29N-R13W as a Pictured Cliffs formation completion and the F-RPC 21-3 located in the SW/4 Section 21-T29N-R13W as a commingled Pictured Cliffs – Fruitland Coal formation completion.

If you have any questions I can be contacted at (303) 830-8000 or by e-mail at rvanblaricom@richardsonoil.com.

RICHARDSON PRODUCTION COMPANY

Rebecca E. Van Blaricom

Land Manager

Post-It™ brand fax transmittal memo 7671		# of pages > 10
To <i>Kitty</i>	From <i>Recky</i>	
Co.	Co.	
Dept.	Phone #	
Fax # <i>505/466-9682</i>	Fax #	

Case No. 12854 Exhibit No. — 4
Submitted By:
Richardson Production
Hearing Date: July 11, 2002

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

April 9, 2002

TO: NOTICE OF THE HEARING OF THE FOLLOWING NEW
MEXICO OIL CONSERVATION DIVISION CASE:

*Re: Application of Richardson Production Company
for Compulsory Pooling
San Juan County, New Mexico*

On behalf of Richardson Production Company, please find enclosed our application for compulsory pooling for its F-RPC 21 Well No. 2 (Unit E) NW/4 Section 21, T29N, R13W, NMPM. This case will be heard at the May 2, 2002 hearing to be held by the New Mexico Oil Conservation Division at the Division hearing room located at the Pinon Building, 1220 South Saint Francis Drive, Santa Fe, New Mexico.

As an interest owner who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

Pursuant to the Division's Memorandum 2-90, you are further notified that if you desire to appear in this case, then you are requested to file a Pre-Hearing Statement with the Division not later than 4:00 PM on Friday, April 26, 2002, with a copy delivered to the undersigned.

Very truly yours,



W. Thomas Kellahin

Schedule of Unleased Interest Owners
Address Listing
F-RPC 21-2 and F-RPC 21-3

Frederick Elkins and Laurie Elkins
1050 East 760 North
Orem, UT 84097

Richards Elkins and Cassandra Elkins
23115 Summers Drive
San Antonio, TX 78258

Forrest Elkins and Patricia Elkins
1303 Lacy Lane
San Marcus, TX 78666

Ronald Elkins
1539 East Elmwood Circle
Mesa, AZ 85203

City of Farmington
800 Municipal Drive
Farmington, NM 87401

State of New Mexico Highway Department
P O Box 1149
Santa Fe, NM 87503

First National Bank of Iowa City, Iowa, Trustee
204 West Washington
Iowa City, IA 52244

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

Wells Fargo Bank, N.A.
4601 East Main, Suite 1
Farmington, NM 87402

F-RPC 21-3

William R. Amos, Trustee
610 West Animas
Farmington, NM 87401



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.
 Richard Elkins & Cassandra Elkins
 23115 Summers Drive
 San Antonio, TX 78258

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery
 C. Signature *[Signature]* ☐ Agent ☐ Addressee
 Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

Richardson
 F-RPC 21 Well #2
 May 2, 2002
 4/9/02

Article Number (Copy from service label)

Form 3811, July 1999

7001 1140 0002 9563 5699

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.
 Att: 800 Municipal Drive
 Farmington, NM 87401

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery
 C. Signature *[Signature]* ☐ Agent ☐ Addressee
 Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

Richardson
 F-RPC 21 Well #2
 May 2, 2002
 4/9/02

Article Number (Copy from service label)

Form 3811, July 1999

7001 1140 0002 9563 5729

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.
 Ronald Elkins

1539 East Elmwood Circle
 Mesa, AZ 85203

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery
 C. Signature *[Signature]* ☐ Agent ☐ Addressee
 Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

331w Edgemont
 Phoenix, AZ 85003

Richardson
 F-RPC 21 Well #2
 May 2, 2002
 4/9/02

2. Article Number (Copy from service label)

PS Form 3811, July 1999

7001 1140 0002 9563 5712

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.
 Att: State of NM Highway Dept.
 or PO Box 1149
 SF, NM 87503

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery
 C. Signature *[Signature]* ☐ Agent ☐ Addressee
 Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

APR 10 2002

Richardson
 F-RPC 21 Well #2
 May 2, 2002
 4/9/02

2. Article Number (Copy from service label)

PS Form 3811, July 1999

7001 1140 0002 9563 5736

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.

Article 1
Frist National Bank of Iowa
City, Iowa Trustee
204 West Washington
Iowa City, IA 52244

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery
APR 15 2002

C. Signature
Don W. Clemons

Is delivery address different from item 1? ☐ Yes ☐ No

If YES, enter delivery address below:

3. Service Type
Richardson

F-RPC 21 Well #2

May 2, 2002

4/9/02

Article Number (Copy from service label)

Form 3811, July 1999

7001 1140 0002 9563 5743

M-0952

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.

Article 1
Wells Fargo Bank NA
4601 East Main Ste. 1
Farmington, Nm 87402

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery
4-11

C. Signature
Don W. Clemons

Is delivery address different from item 1? ☒ Yes ☐ No

If YES, enter delivery address below:

Richardson

F-RPC 21 Well #2

May 2, 2002

4/9/02

Article Number (Copy from service label)

Form 3811, July 1999

7001 1140 0002 9563 5767

M-0952

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.

Article 1
Dr. William A Hall
c 416 North Behrend
Farmington, Nm 87401

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery
4-11-02

C. Signature
William A. Hall

Is delivery address different from item 1? ☐ Yes ☐ No

If YES, enter delivery address below:

3. Service Type
Richardson

F-RPC 21 Well #2

May 2, 2002

4/9/02

Article Number (Copy from service label)

PS Form 3811, July 1999

7001 1140 0002 9563 5750

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.

Article 1
William R Amos Trustee
610 West Animas
Farmington, NM 87401

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery
4-11-02

C. Signature
William R. Amos

Is delivery address different from item 1? ☐ Yes ☐ No

If YES, enter delivery address below:

Richardson

F-RPC 21 Well #2

May 2, 2002

4/9/02

Article Number (Copy from service label)

PS Form 3811, July 1999

7001 1140 0002 9563 5774

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 **Frederick Elkins & Laurie Elkins** Attach to or on the

1050 East 760 North
Orem, UT 84097

A. Received by (Please Print Clearly) BRDO ECHO B. Date of Delivery 4-13

Signature _____

Is the delivery address different from item 1? ☐ Yes ☐ No

3. enter delivery address below:

Richardson
F-RPC 21 Well #2
May 2, 2002
4/9/02

2. Article Number (Copy from service label).

PS Form 3811, July 1999

2895 6956 2000 04TT T002

0952

CLIPPING MAIL



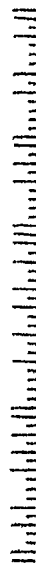
KELLAHN AND KELLAHN
ATTORNEYS AT LAW
EL PATIO BUILDING
117 NORTH GUADALUPE
POST OFFICE BOX 2265
SANTA FE, NEW MEXICO 87504-2265

* * *
 175
 0740
 8130
 04.170
 PB85 60508
 APR 09 02
 MAILED FROM SANTA FE NM 87501

APR 18 2002
APR 20 2002
MAY 01 2002
RECEIVED
NO SUCH NUMBER

Forrest Ekins & Patricia Ekins
1303 Lacy Lane
San Marcus, TX 78666

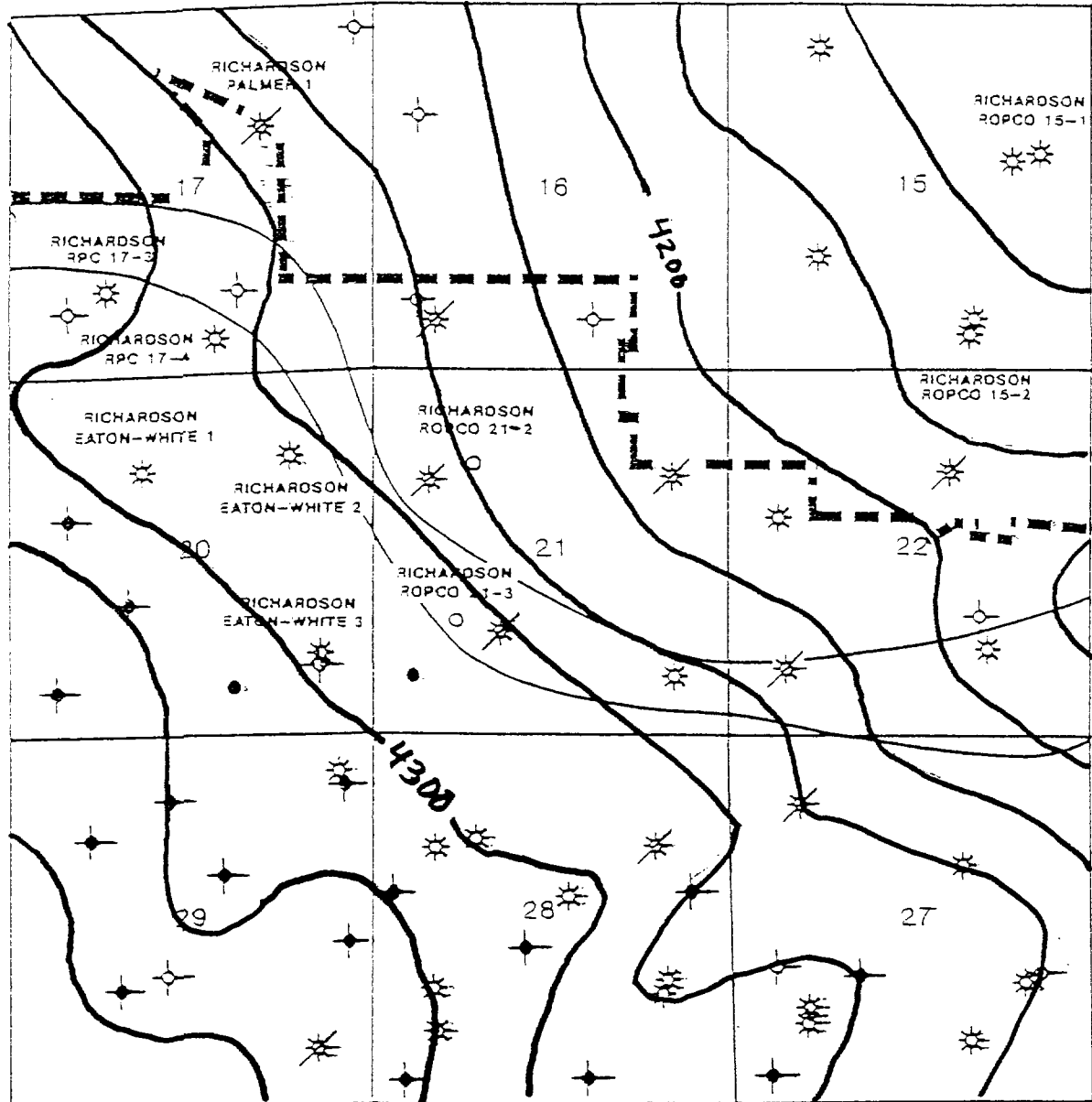
7865 5000



RICHARDSON OPERATING COMPANY
 Township 29N, Range 13 West N.M.P.M.
 San Juan County, New Mexico

STRUCTURE CONTOUR
R 13 W

Base Fruitland Coal Formation



T
 29
 N

Scale: 2" = 1 Mile

	<u>ROPCO 21-2</u>	<u>ROPCO 21-3</u>
Estimated TD	1200'	1200'
Estimated Coal Thickness	7'	6'

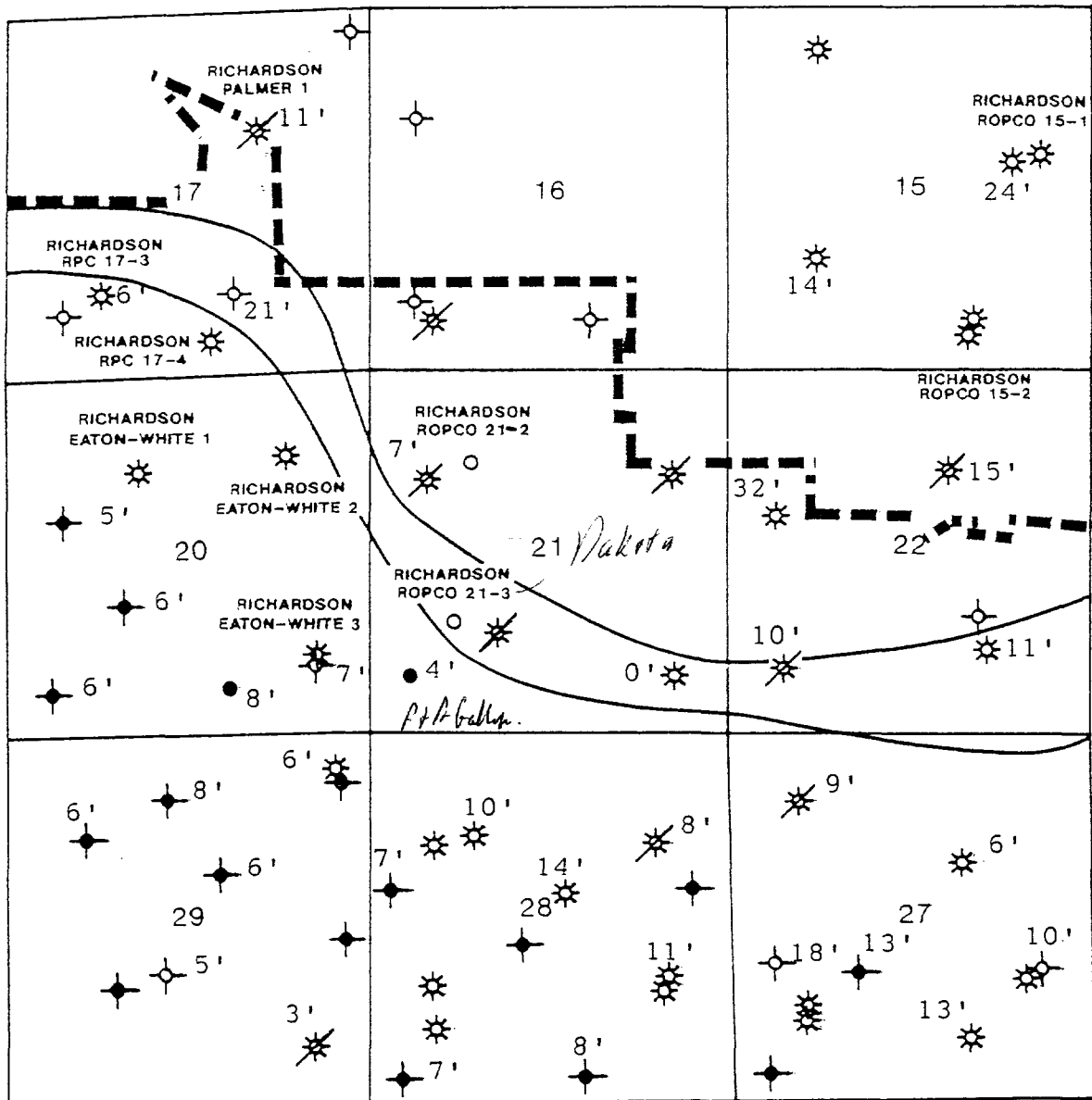
BEFORE THE
 OIL CONSERVATION DIVISION
 Case No. 12854 Exhibit No. 5
 Submitted By:
 Richardson Production
 Hearing Date: July 11, 2002

RICHARDSON OPERATING COMPANY
Township 29N, Range 13 West N.M.P.M.
San Juan County, New Mexico

COAL ISOPACH

R 13 W

BASAL COAL THICKNESS

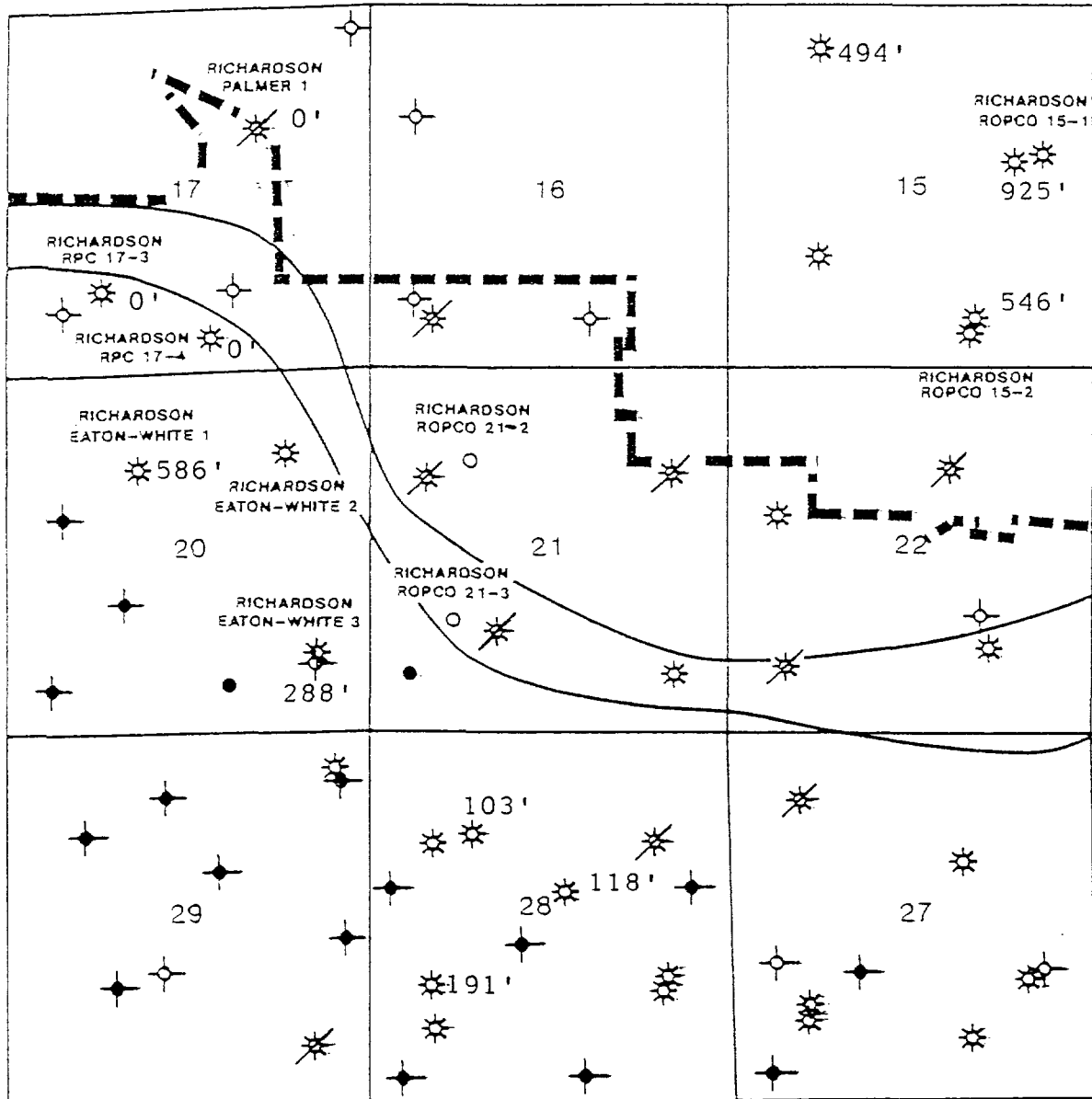


Scale: 2" = 1 Mile

BEFORE THE
OIL CONSERVATION DIVISION
Case No. 12854 Exhibit No. — **6**
Submitted By:
Richardson Production
Hearing Date: July 11, 2002

RICHARDSON OPERATING COMPANY
Township 29N, Range 13 West N.M.P.M.
San Juan County, New Mexico

CUMULATIVE PRODUCTION
R 13 W



**T
29
N**

Scale: 2" = 1 Mile

CUMULATIVE PRODUCTION
(MMCF)

	PC	FC
Section 15: Vine Com 3E	494	0
Ropco 15-1	467	467
Ropco 15-2	546	0
Section 17: Palmer 1	0	0
RPC 17-3	0	0
RPC 17-4	0	0
Section 20: Eaton White 1	586	0
1X	288	0
Section 28: Callow #3	103	
Callow #5	118	
Callow #6	191	

Card 12854 7
Ex

III. OVERHEAD

1. Overhead - Drilling and Producing Operations

- i. As compensation for administrative, supervision, office services and warehousing costs, Operator shall charge drilling and producing operations on either:

- (x) Fixed Rate Basis, Paragraph 1A, or
() Percentage Basis, Paragraph 1B

Unless otherwise agreed to by the Parties, such charge shall be in lieu of costs and expenses of all offices and salaries or wages plus applicable burdens and expenses of all personnel, except those directly chargeable under Paragraph 3A, Section II. The cost and expense of services from outside sources in connection with matters of taxation, traffic, accounting or matters before or involving governmental agencies shall be considered as included in the overhead rates provided for in the above selected Paragraph of this Section III unless such cost and expense are agreed to by the Parties as a direct charge to the Joint Account.

- ii. The salaries, wages and Personal Expenses of Technical Employees and/or the cost of professional consultant services and contract services of technical personnel directly employed on the Joint Property:

- () shall be covered by the overhead rates, or
(x) shall not be covered by the overhead rates.

- iii. The salaries, wages and Personal Expenses of Technical Employees and/or costs of professional consultant services and contract services of technical personnel either temporarily or permanently assigned to and directly employed in the operation of the Joint Property:

- () shall be covered by the overhead rates, or
(x) shall not be covered by the overhead rates.

A. Overhead - Fixed Rate Basis

- (1) Operator shall charge the Joint Account at the following rates per well per month:

Drilling Well Rate \$ 5,000.00
(Prorated for less than a full month)

Producing Well Rate \$ 500.00

- (2) Application of Overhead - Fixed Rate Basis shall be as follows:

(a) Drilling Well Rate

- (1) Charges for drilling wells shall begin on the date the well is spudded and terminate on the date the drilling rig, completion rig, or other unit used in completion of the well is released, whichever is later, except that no charge shall be made during suspension of drilling or completion operations for fifteen (15) or more consecutive calendar days.
- (2) Charges for wells undergoing any type of workover or recompletion for a period of five (5) consecutive work days or more shall be made at the drilling well rate. Such charges shall be applied for the period from date workover operations, with rig or other units used in workover, commence through date of rig or other unit release, except that no charge shall be made during suspension of operations for fifteen (15) or more consecutive calendar days.

(b) Producing Well Rates

- (1) An active well either produced or injected into for any portion of the month shall be considered as a one-well charge for the entire month.
- (2) Each active completion in a multi-completed well in which production is not commingled down hole shall be considered as a one-well charge providing each completion is considered a separate well by the governing regulatory authority.
- (3) An inactive gas well shut in because of overproduction or failure of purchaser to take the production shall be considered as a one-well charge providing the gas well is directly connected to a permanent sales outlet.
- (4) A one-well charge shall be made for the month in which plugging and abandonment operations are completed on any well. This one-well charge shall be made whether or not the well has produced except when drilling well rate applies.
- (5) All other inactive wells (including but not limited to inactive wells covered by unit allowable, lease allowable, transferred allowable, etc.) shall not qualify for an overhead charge.
- (3) The well rates shall be adjusted as of the first day of April each year following the effective date of the agreement to which this Accounting Procedure is attached. The adjustment shall be computed by multiplying the rate currently in use by the percentage increase or decrease in the average weekly earnings of Crude Petroleum and Gas Production Workers for the last calendar year compared to the calendar year preceding as shown by the Index of average weekly earnings of Crude Petroleum and Gas Production Workers as published by the United States Department of Labor, Bureau of Labor Statistics, or the equivalent Canadian Index as published by Statistics Canada, as applicable. The adjusted rates shall be the rates in effect on the first day of April of the year following the adjustment.

B. Overhead - Percentage Basis

- (1) Operator shall charge the Joint Account at the following rates:

BEFORE THE
OIL CONSERVATION DIVISION

Case No. 12854 Exhibit No. 8

Submitted By:

Richardson Production

Hearing Date: July 11, 2002

ERNST & YOUNG

2001 SURVEY

MONTHLY DRILLING WELL FIXED OVERHEAD RATES

MONTHLY PRODUCING WELL FIXED OVERHEAD RATES

New Mexico

Monthly Drilling Well Fixed Overhead Rates

Monthly Producing Well Fixed Overhead Rates

Responses	Wells	Depth	Monthly Drilling Well Fixed Overhead Rates				Monthly Producing Well Fixed Overhead Rates			
			Minimum	Average	Median	Maximum	Minimum	Average	Median	Maximum
		0 - 5,000	\$1,510	\$3,567	\$3,500	\$6,534	\$200	\$381	\$350	\$719
		5,001 - 10,000	\$3,000	\$4,772	\$4,250	\$7,507	\$200	\$523	\$527	\$918
		10,001 - 15,000	\$4,250	\$6,121	\$6,000	\$8,061	\$425	\$639	\$600	\$1,101
		15,001 - 20,000	\$9,131	\$9,131	\$9,131	\$9,131	\$1,219	\$1,219	\$1,219	\$1,219
		Over 20,000								
		No Depth Limit	\$1,500	\$5,822	\$5,641	\$10,123	\$325	\$1,246	\$830	\$7,118

**RICHARDSON OPERATING COMPANY
AUTHORITY FOR EXPEDITURES**

Well Name: F-RPC 21-3
Location: SW/4 Section 21-T29N-R13W
Spacing: W/2 320 acres
Proposed Depth: 1,000' FC; 1,100' PC

Date: 3/15/2002

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 & Land - - - - -		3,000		1,500	1,500
Damages - - - - -		2,000		1,000	1,000
* Drilling (incl. water & mud) 1200' @ 15.00/ft.-		18,000		7,515	10,485
BOP Rental - - - - -		750		375	375
Dirt Work - - - - -		4,000		2,000	2,000
Pit Lining - - - - -		2,800		1,400	1,400
Surface Casing 200' @ 7.65/ft. - - - - -	1,530			765	765
Casing Head - - - - -	1,500			750	750
Cement Surface - - - - -		2,300		1,150	1,150
Power Tongs - - - - -		1,000		500	500
Casing 1200' @ 5.00/ft. - - - - -	6,000			2,505	3,495
Trucking - - - - -		3,000		1,500	1,500
Logs - - - - -		4,000		2,000	2,000
Engineering - - - - -		5,000		2,500	2,500
Cement Longstring - - - - -		4,000		1,670	2,330
Total Cost to Run Casing - - - - -	9,030	52,850	61,880	28,630	33,250
10% Contingency - - - - -			6,188	2,863	3,325
Grand Total to Run Casing			68,068	31,493	36,575

II. Completion Costs

Rig Anchors - - - - -		750		375	375
Logs - - - - -		3,000		1,500	1,500
Perf - - - - -		4,000		2,000	2,000
Wellhead & Fittings - - - - -	4,000			2,000	2,000
Tubing 1200' @ 2.10/ft. - - - - -	2,520			1,052	1,468
Stimulation - - - - -		50,000		25,000	25,000
Tool Rental - - - - -		2,300		1,150	1,150
Trucking - - - - -		3,000		1,500	1,500
Battery Installation - - - - -		6,000		3,000	3,000
Restore Location - - - - -		4,000		2,000	2,000
Engineering - - - - -		5,000		2,500	2,500
Treater, Separator - - - - -	6,000			3,000	3,000
Flowline - - - - -	4,000			2,000	2,000
Tank & Fittings - - - - -	5,000			2,500	2,500
Gravel - - - - -	3,000			1,500	1,500
Workover Rig - - - - -		12,000		6,000	6,000
Completion Fluids - - - - -		2,000		1,000	1,000
Pipeline Hookup - - - - -		50,000		25,000	25,000
Division Order Opinion - - - - -		2,000		1,000	1,000
Frac Tank Rental - - - - -		2,000		1,000	1,000
Flowback - - - - -		2,000		1,000	1,000
Fence Location - - - - -	5,000			2,500	2,500
Total Completion Costs - - - - -	29,520	148,050	177,570	88,577	88,993
10% Contingency - - - - -			17,757	8,858	8,899
Drilling Costs - - - - -			68,068	31,493	36,575
Grand Total Well Costs			263,395	128,928	134,467

FRUITLAND COAL (FC)

0.0000% THIRD PARTY
100.0000% Richardson Operating Company et als

Date:

Approved BY:

Share of costs:

	\$0.00
	\$128,927.81
Total FC Costs	\$128,927.81
	\$0.00
	\$134,467.19
Total PC Costs	\$134,467.19

PICTURED CLIFFS (PC)

0.0000% THIRD PARTY
100.0000% Richardson Operating Company et als

Total Costs of Commingled PC/FC Well:

Unleased Mineral Interest Owner	\$0.00
Richardson Operating Company et als	\$263,395.00
	\$263,395.00

BEFORE THE
OIL CONSERVATION DIVISION
Case No.12855 Exhibit No. 9
Submitted By:
Richardson Production
Hearing Date: July 11, 2002

**RICHARDSON OPERATING COMPANY
AUTHORITY FOR EXPEDITURES**

Well Name: F-RPC 21-2
Location: NW/4 Section 21, T29N-R13W
Spacing: NW/4 - 160 acres
Proposed Depth: 1,000'

Date: 15-Mar-02
Objective Formation: Pictured Cliffs

I. Drilling Costs (Included Run Casing)

Survey and Permits - - - - -
 Title Opinion & Land - - - - -
 Damages - - - - -
 • Drilling (incl. water & mud) 1200' @ 15.00/ft. -
 BOP Rental - - - - -
 Dirt Work - - - - -
 Pit Lining - - - - -
 Surface Casing 200' @ 7.65/ft. - - - - -
 Casing Head - - - - -
 Cement Surface - - - - -
 Power Tongs - - - - -
 Casing 1200' @ 5.00/ft. - - - - -
 Trucking - - - - -
 Logs - - - - -
 Engineering - - - - -
 Cement Longstring - - - - -
 Total Cost to Run Casing - - - - -
 10% Contingency - - - - -

Grand Total to Run Casing

II. Completion Costs

Rig Anchors - - - - -
 Logs - - - - -
 Perf - - - - -
 Wellhead & Fittings - - - - -
 Tubing 1200' @ 2.10/ft. - - - - -
 Stimulation - - - - -
 Tool Rental - - - - -
 Trucking - - - - -
 Battery Installation - - - - -
 Restore Location - - - - -
 Engineering - - - - -
 Treator, Separator - - - - -
 Flowline - - - - -
 Tank & Fittings - - - - -
 Gravel - - - - -
 Workover Rig - - - - -
 Completion Fluids - - - - -
 Pipeline Hookup - - - - -
 Division Order Opinion - - - - -
 Frac Tank Rental - - - - -
 Flowback - - - - -
 Fence Location - - - - -
 Total Completion Costs - - - - -
 10% Contingency - - - - -
 Drilling Costs - - - - -

Grand Total Well Costs

Tangible	Intangible	Total
	3,000	
	3,000	
	2,000	
	17,250	
	750	
	4,000	
	2,800	
1,530		
1,500		
	2,300	
	1,000	
6,325		
	3,000	
	4,000	
	4,500	
	4,000	
9,355	51,600	60,955
		6,096
		67,051
	750	
	3,000	
	4,000	
4,000		
2,875		
	25,000	
	2,300	
	3,000	
	6,000	
	4,000	
	5,000	
6,000		
4,000		
5,000		
3,000		
	12,000	
	2,000	
	13,000	
	2,000	
	2,000	
	2,000	
5,000		
29,875	86,050	115,925
		11,593
		67,051
		194,568

PICTURED CLIFFS (PC)

0.0000% THIRD PARTY

100.0000% Richardson Operating Company et als

Date:

Approved by:

Share of WI Costs:

0

194,568

194,568

BEFORE THE

OIL CONSERVATION DIVISION

Case No. 12854 Exhibit No. —

Submitted By:

Richardson Production

Hearing Date: July 11, 2002

9