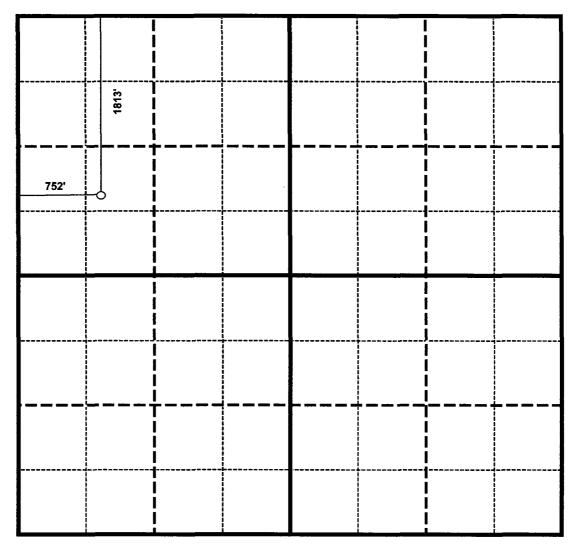
FRPC 21-2 WELL - GAS

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



RICHARDSON OPERATING COMPANY LEASEHOLD INTEREST UNLEASED MINERAL INTEREST TO BE FORCE POOLED

65.09% 34.91%

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		
X	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%
ŧ	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

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:

/fzke, N. 12854 Cust Do 12854 Exh. #3

7-11-200 -

- 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,

Por and Baking Rebecca E. Van Blaricom Land Manager

On this	day of
	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.
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onald Elkins 539 East Elmwood Circle lesa, AZ 85203	3. Service Type ☑ Certified Mail ☐ Express Mail
	☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D. 4. Restricted Delivery? (Extra Fee) ☐ Yes
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STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF RICHARDSON PRODUCTION COMPANY FOR COMPULSORY POOLING SAN JUAN COUNTY, NEW MEXICO

CASE 12854

CERTIFICATE OF MAILING AND COMPLIANCE WITH ORDER R-8054

STATE OF NEW MEXICO)

Output

W. Thomas Kellahin, being first duly sworn, hereby certifies that he is an attorney for the Applicant and responsible for notification in this matter and that the notice provisions of Division Rule 1207 (Order R-8054) have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested parties entitled to receive notice, that on April 9, 2002, he caused to be mailed by certified mail return-receipt requested the attached notice of this hearing and a copy of the application for the above referenced case, at least twenty days prior to the hearing of this case set for May 4, 2002 and continued to July 11, 2002, to the parties shown in said application and as evidenced by the attached copies of return receipt cards and/or receipts of certified mailing, and that pursuant to Division Rule 1207, notice has been given at the correct addresses provided by such rule.

W. Thomas Kellahin

SUBSCRIBED AND SWORN to before me this 8th day of July, 2002, by W. Thomas Kellahin.

Lynda Kellahin, Notary Public

OFFICIAL SEAL
Lynda Kellahin

NOTARY PUBLIC STATE OF NEW M
Commission Expires:

BEFORE THE OIL CONSERVATION DIVISION

Case No.12854 Exhibit No.____

Submitted By:

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

JASON KELLAHIN (RETIRED 1991) Anril (

W. THOMAS KELLAHIN*

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

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



Agent Addre ☐ Agen ☐ Addr The Received by (Please Print Clearly) B. Date of De. A. Received by (Please Print Clearly) B. Date of Del J.M. nn snann D. Is delivery address different from item 1? The Service of YES, enter delivery address below: COMPLETE THIS SECTION ON DELIVERY 33/W Edgemont COMPLETE THIS SECTION ON DELIVERY 5712 69 Millerant from item 1? If YES, enter delivery address below: 5736 YES, ortho delivery address bolow Prx. P. 85002 APR 1 0 2002 **95**F3 F-RPC 21 Well #2 9563 May 2, 2002 7001 1140 0002 May 2, 2002 Richardson 7000 04TT TOOL Hichardsol F-RPC 2 C. Signature C. Signature 4/9/02 4/9/02 so that we can return the card to you. Attac State of NM Highway Dept 1539 East Elmwood Circle Print your name and address on the reverse Print your name and address on the reverse ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Complete items 1, 2, and 3. Also complete SENDER: COMPLETE THIS SECTION so that we can return the card to you. // Ronald Elkins SENDER: COMPLETE THIS SECTION item 4 if Restricted Delivery is desired 2. Article Number (Copy from service label) 2. Article Number (Copy from service label) Mesa, AZ 85203 1. Article SF, NM 87503 or or PO Box 1149 PS Form 3811, July 1999 PS Form 3811, July 1999 ☐ Addressee 52 B. Date of Delivery 70-1 ☐ Addressee A. Received by (Please Print Clearly) B. Date of Delivery ☐ Agent is delivery address different from item 1? Ves. enter delivery address below: No ☐ Agent □ Yes 2 COMPLETE THIS SECTION ON DELIVERY 5699 'f YES, enter delivery address below: 5729 COMPLETE THIS SECTION ON DELIVERY A. Received by (Please Print Clearly) F-RPC 21 Well #2 7001 1140 0002 9563 SOUSANUO. 9563 F-RPC 21 Well #2 May 2, 2002 **Richardson** May 2, 2002 7001 1140 0002 Richardson 4/9/02 ignature 4/9/02 Damantia Ontiun Danint Richard Elkins & Cassandra Print your name and address on the reverse so * City of Farmington Complete items 1, 2, and 3. Also complete your name and address on the reverse Farmington, NM 87401 San Antonio, TX 78258 aplete items 1, 2, and 3. Also complete 23115 Summers Drive NDER: COMPLETE THIS SECTION tem 4 if Restricted Delivery is desired Att 800 Municipal Drive 1 4 if Restricted Delivery is desired. Article Number (Copy from service label) ER: COMPLETE THIS SECTION icle Number (Copy from service label) Form 3811, July 1999 orm 3811, July 1999 Elkins

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	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. July William A Hall C 416 North Behrend 1. A Farmington, Nm 87401		2. Article Number (Copy from service label) PS Form 3811. July 1999 D 7		 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. William R Amos Trustee An William R Amos Trustee Farmington, NM 87401 		2. Article Number (Copy from service label)	PS Form 3811, July 1999 7000
+	A. Received My Please Print Clearly) B. Date of Delivery C. Signature C. Signature C. Signature Received My Please Print Clearly) B. Date of Delivery C. Signature C. Signatur	3. Service Type 3. Service Type Richardson F-RPC 21 Well #2 lise May 2, 2002		AN ETETHIS SECTION ON DELINERY	A. Beceived by (Please Print Clearly) C. Signature C. Signature i delivery address different from item 1? YES, enter delivery address below:	Richardson		.1.40 0002 9563 5767 _{4.0952}
	Somplete items 1, 2, and 3. Also complete tem 4 if Restricted Delivery is desired. Pint your name and address on the reverse so that we can return the card to you. Attr. Frist National Bank of lowa and City, lowa Trustee Artic 204 West Washington lowa City, IA 52244		Article Number (Copy from service label)		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 Atta. Wells Fargo Bank NA or ol 4601 East Main Ste. 1 Articl Farmington, Nm 87402		Article Number (Copy from service label)	Form 3811, July 1999 7001 1140

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 'Frederick Elkins & Laurie or on the 1050 East 760 North Article Ar Orem, UT 84097 	A. Received by (Please Print Clearly) Nure Nure Addressee ivery address below: No A. R. M.
2. Article Number (Copy from service label)	
PS Form 3811, July 1999	7001 1140 0002 9563 5682 0962

KELLAHIN AND KELLAHIN

OF THE PUBLICATION

117 NORTH GUADALUPE ATTORNEYS AT LAW EL PATIO BUILDING

SANTA FE, NEW MEXICO 87504-2265

POST OFFICE BOX 2265

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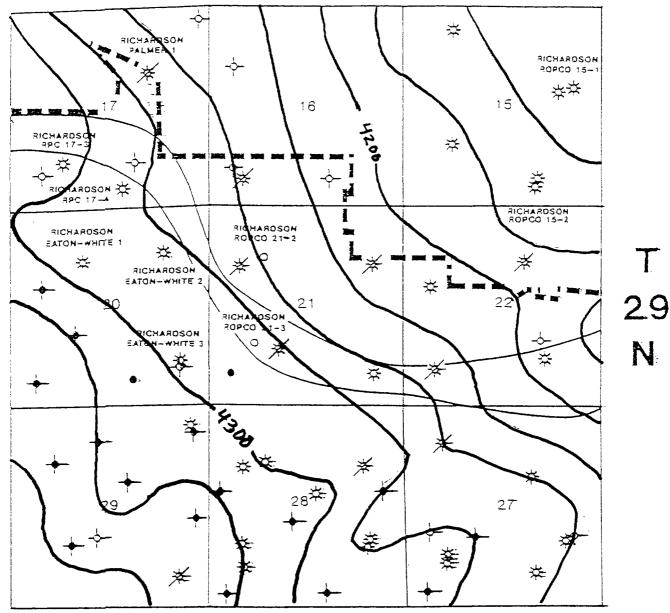
RICHARDSON OPERATING COMPANY

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

STRUCTURE CONTOUR

U 10 AA

Base Fruitland Coal Formation



Scale: 2" = 1 Mile-

Estimated TD $\frac{\text{ROPCO }21-2}{1200'}$ $\frac{\text{ROPCO }21-3}{1200'}$ Estimated Coal Thickness 7' 6'

BEFORE THE
OIL CONSERVATION DIVISION

Case No.12854 Exhibit No.__

Submitted By:
Richardson Production
Hearing Date: July 11, 2002

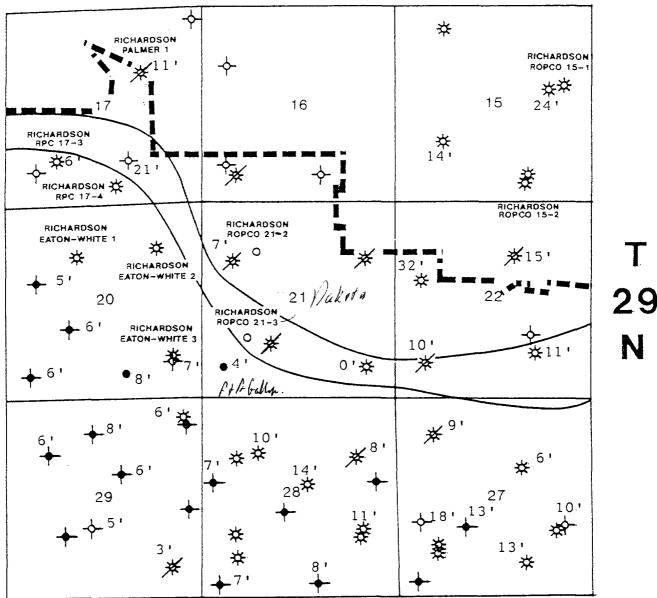
RICHARDSON OPERATING COMPANY

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

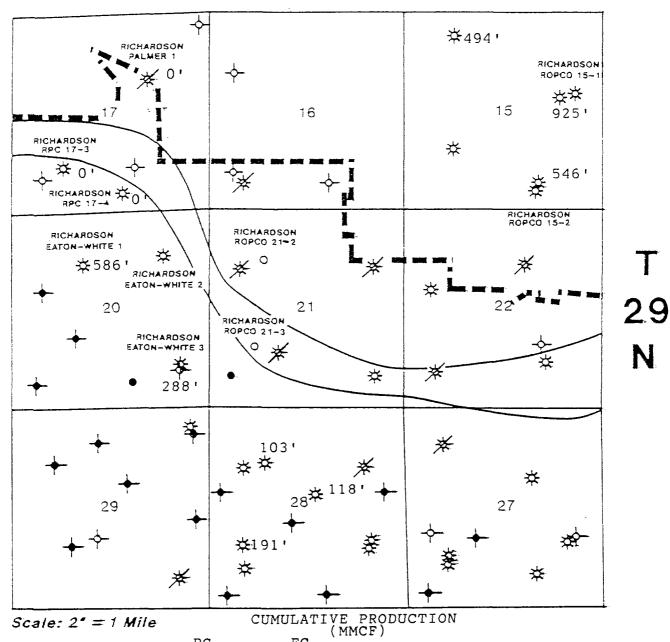
BEFORE THE
OIL CONSERVATION DIVISION
Case No.12854 Exhibit No.
Submitted By:
Richardson Production
Hearing Date: July 11, 2002

RICHARDSON OPERATING COMPANY

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

CUMULATIVE PRODUCTION

R 13 W



			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
		1 X	288	0
Section	28:	Callow #3	103	

Callow #5

Callow #6

118

191

Care 12854 Ex

III. OVERHEAD

1.	Overhead	_	Drilling	and	Proc	lucing	Operations
----	----------	---	----------	-----	------	--------	------------

(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 service	:0:5
	and contract services of technical personnel directly employed on the Joint Property:	

() shall be covered by the overhead rates, or (×) 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
 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 units 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

- An active well either produced or injected into for any portion of the month shall be considered as a onewell 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 carnings of Grude Petroleum and Gas Production Workers for the last calendar year compared to the calendar year preceding as shown by the Index of average weekly carnings of Grude Petroleum and Gas Production Workers as published by the United States Department of Labor, Bureau of Labor Statistics, or the equivalent Canadian index as multished by Statistics Canada, as applicable. The adjusted rates shall be the rates cur

B. Overhead - Percentage Basis

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

OIL CONSERVATION DIVISION

Case No.12854 Exhibit No. Submitted By:

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

tesponses	Wells	Depth	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
	1.	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

FIXED-RATE OVERHEAD SURVEY

18

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

Title Daa * Drir BC Dir Pitt Su Ca Ce Po Ca Tru Lo En Ce Will Lo Pe Will Tot	trey and Permits	1,530 1,500 6,000	3,000 3,000 2,000 18,000 750 4,000 2,800 1,000 3,000 4,000 5,000 4,000		1,500 1,500 1,000 7,515 375 2,000 1,400 765 750 1,150 2,505 1,500 2,505	1,150 500 3,495 1,500 2,000
Title Daa * Drir BC Dir Pitt Su Ca Ce Po Ca Tru Lo En Ce Will Lo Pe Will Tot	tile Opinion & Land	1,500 6,000	2,000 18,000 750 4,000 2,800 1,000 3,000 4,000 5,000 4,000		1,000 7,515 375 2,000 1,400 765 750 1,150 2,505 1,500 2,000	1,000 10,485 375 2,000 1,400 765 750 1,150 500 3,495 1,500 2,000
Da * Dri BC Dir Pit Su Ca Po Ca Tn Lo En Ce W Tu St Tc	amages	1,500 6,000	18,000 750 4,000 2,800 2,300 1,000 3,000 4,000 5,000 4,000		7,515 375 2,000 1,400 765 750 1,150 2,505 1,500 2,000	10,485 375 2,000 1,400 765 750 1,150 3,495 1,500 2,000
BC Dirr Pitt Su Ca Ca Po Ca Tn Lo En Ce Wi Tu St Tc	OP Rental	1,500 6,000	750 4,000 2,800 1,000 3,000 4,000 5,000 4,000		375 2,000 1,400 765 750 1,150 2,505 1,500 2,000	375 2,000 1,400 765 750 1,150 500 3,495 1,500 2,000
Dir Pit Su Ca Ca Po Ca Tr Lo En Ca Vi Uo Pe Wi To St	rt Work	1,500 6,000	4,000 2,800 1,000 3,000 4,000 5,000 4,000		2,000 1,400 765 750 1,150 2,505 1,500 2,000	2,000 1,400 765 750 1,150 500 3,495 1,500 2,000
Pit Su Ca Ca Ca Ca Tr. Lo Ca Ca Rie Lo Pe Will St Tc	t Lining	1,500 6,000	2,800 1,000 3,000 4,000 5,000 4,000		1,400 765 750 1,150 500 2,505 1,500 2,000	1,400 765 750 1,150 500 3,495 1,500 2,000
Su Ca Ca Po Ca Tr Lo En Ce . Cc Ri Lo Pe Wi To St	urface Casing 200' @ 7.65/ft asing Head ement Surface ower Tongs ucking ngineering ement Longstring Total Cost to Run Casing 10% Contingency Grand Total to Run Casing ompletion Costs	1,500 6,000	2,300 1,000 3,000 4,000 5,000 4,000		765 750 1,150 500 2,505 1,500 2,000	765 750 1,150 500 3,495 1,500 2,000
Su Ca Ca Po Ca Tr Lo En Ca Ri Lo Pe Wi To St	urface Casing 200' @ 7.65/ft asing Head ement Surface ower Tongs ucking ngineering ement Longstring Total Cost to Run Casing 10% Contingency Grand Total to Run Casing ompletion Costs	1,500 6,000	1,000 3,000 4,000 5,000 4,000		750 1,150 500 2,505 1,500 2,000	750 1,150 500 3,495 1,500 2,000
Ca Ce Po Ca Trn Lo En Ce Rid Lo Pe With Str	asing Head ement Surface ower Tongs asing 1200' @ 5.00/ft ucking ngineering ement Longstring Total Cost to Run Casing 10% Contingency Grand Total to Run Casing ompletion Costs	6,000	1,000 3,000 4,000 5,000 4,000		1,150 500 2,505 1,500 2,000	1,150 500 3,495 1,500 2,000
Ce Po Ca Tru Lo En Ce Riu Lo Pe Wi Tru Str	ement Surface	6,000	1,000 3,000 4,000 5,000 4,000		500 2,505 1,500 2,000	1,150 500 3,495 1,500 2,000
Po Ca Tru Lo En Ce Ca Right Lo Po W Tu St To To Tru	ower Tongs		1,000 3,000 4,000 5,000 4,000		500 2,505 1,500 2,000	500 3,495 1,500 2,000
Ca Tri Lo En Ce Ric Lo Pe W Tu St	asing 1200' @ 5.00/ft rucking pgs ngineering ement Longstring Total Cost to Run Casing 10% Contingency Grand Total to Run Casing ompletion Costs		3,000 4,000 5,000 4,000		1,500 2,000	3,495 1,500 2,000
Tru Lo En Ce Riu Lo Pe W Tu St Tc	rucking		4,000 5,000 4,000		1,500 2,000	1,500 2,000
Lo En Ce Right Lo Pe W Tu St	ogs ngineering ement Longstring Total Cost to Run Casing 10% Contingency Grand Total to Run Casing ompletion Costs	9,030	4,000 5,000 4,000		2,000	2,000
En Ce Ce Rie Lo Pe Wi Tu St	ngineering ement Longstring Total Cost to Run Casing 10% Contingency Grand Total to Run Casing ompletion Costs	9,030	5,000 4,000		•	
Ce Ric Lo Pe W Tu St	ement Longstring	9,030	4,000			
. Co Rig Lo Pe W Tu St	Total Cost to Run Casing 10% Contingency Grand Total to Run Casing ompletion Costs	9,030			1,670	
Rig Lo Pe W Tu St To	10% Contingency	9,000		61.880	28,630	·
Rig Lo Pe W Tu St To	Grand Total to Run Casing ompletion Costs		32,630	6,188	2,863	
Rig Lo Pe W Tu St To	ompletion Costs			68,068	31,493	
Rig Lo Pe W Tu St To	•			00,000	31,493	30,575
Lo Pe W Tu St			750		375	375
Pe W Tu St	ig Anchors		3,000	1	1,500	
W Tu St	erf		4,000		2,000	
Tu St To	/eilhead & Fittings	4.000	4,000		2,000	
St To					•	
To	ubing 1200' @ 2.10/ft	2,520	50,000		1,052	
			50,000		25,000	•
Tr	ool Rental		2,300		1,150	.,
_	rucking		3,000		1,500	
	attery Installation		6,000		3,000	
	testore Location		4,000		2,000	
	ngineering		5,000		2,500	_,
	reator, Separator	6,000	1 1		3,000	
	lowline	4,000			2,000	_,
	ank & Fittings	5,000			2,500	
	Grave!	3,000		i	1,500	
	Vorkover Rig		12,000		6,000	
C	Completion Fluids		2,000		1,000	
	Pipeline Hookup	i	50,000		25,000	
	Division Order Opinion		2,000		1,000	
	rac Tank Rental		2,000		1,000	,
	lowback		2,000		1,000	.,
	ence Location	5,000			2,500	
To	otal Completion Costs	29,520	148,050	177,570	88,577	
	10% Contingency			17,757	8,858	8,899
				68,068	31,493	
	Drilling Costs			263,395	128,928	134,46

FRUITLAND COAL (FC) Date: Approved BY: 0.0000% THIRD PARTY \$0.00 \$128,927.81 100.0000% Richardson Operating Company et als \$128,927.81 **Total FC Costs** PICTURED CLIFFS (PC) 0.0000% THIRD PARTY 100.0000% Richardson Operating Company et als \$134,467.19 \$134,467.19 Total PC Costs

> Total Costs of Commingled PC/FC Well: Unleased Mineral Interest Owner Richardson Operating Company et als

\$0.00 \$263,395.00 \$263,395.00

BEFORE THE OIL CONSERVATION DIVISION

Case No.12855 Exhibit No.__ Submitted By:

RICHARDSON OPERATING COMPANY AUTHORITY FOR EXPEDITURES

Well Name: F-RPC 21-2 Date: Location: NW/4 Section 21, T29N-R13W **Objective Formation:**

Spacing: NW/4 - 160 acres Proposed Depth: 1,000'

í.	Drilling Costs (Included Run Casing)	Tangible	Intangible	Total
	Survey and Permits		3,000	
	Title Opinion & Land	l ł	3,000	
	Damages		2,000	
	* Drilling (Incl. water & mud) 1200' @ 15.00/ft	}	17,250]
	BOP Rental	1	750	
	Dirt Work	1	4,000	
	Pit Lining	1	2,800	1
	Surface Casing 200' @ 7.65/ft	1,530		
	Casing Head	1,500		Ì
	Cement Surface	į į	2,300	
	Power Tongs	1	1,000]
	Casing 1200' @ 5.00/ft	6,325]
	Trucking	ļ	3,000	1
	Logs		4,000	
	Engineering	1	4,500	
	Cement Longstring		4,000	
	Total Cost to Run Casing	9,355	51,600	60,955
	10% Contingency			6,096
	Grand Total to Run Casing			67,051
H.	Completion Costs	1		
	Rig Anchors	1	750	
	Logs		3,000]
	Perf		4,000]
	Wellhead & Fittings	4,000		
	Tubing 1200' @ 2.10/ft	2,875		[
	Stimulation		25,000	
	Tool Rental	1 1	2,300	
	Trucking	İ	3,000	
	Battery Installation	1	6,000	
	Restore Location	1	4,000	
	Engineering	1	5,000	j
	Treator, Separator	6,000		
	Flowline	4,000		
	Tank & Fittings	5,000		
	Gravel	3,000	40.000	
	Workover Rig	1	12,000	İ
	Completion Fluids	1 1	2,000	
	Pipeline Hookup		13,000	
	Frac Tank Rental		2,000 2,000	
	Flowback		2,000]
	Fence Location	5,000	2,000	
	Total Completion Costs	29,875	86,050	115,925
	10% Contingency	20,070	00,000	11,593
	Drilling Costs			67,051
	Grand Total Well Costs			194,568
	Granu rotal Well Costs			104,000

PICTURED CLIFFS (PC)	Date:	Approved by:	Share of WI Costs:
0.0000% THIRD PARTY			0
100.0000% Richardson Operating Company et als			194,568
			194.568 BEFORE THE

OIL CONSERVATION DIVISION

15-Mar-02

Pictured Cliffs

Case No.12854 Exhibit No._ 9 Submitted By: