

RICHARDSON OPERATING COMPANY
AUTHORITY FOR EXPENDITURES

Well Name: F-RPC 21-3

Date:

3/15/02

Location: SW/4 Section 21-T29N-R13W

Spacing: W/2 320 acres

Proposed Depth: 1,000' FC; 1,100' PC

Objective Formation:

Commingled Pictured Cliffs and Fruitland Coal

	Tangible	Intangible	Total	Fruitland Coal	Pictured Cliffs
I. Drilling Costs (Included Run Casing)					
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
Prt 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			3,188	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
Threator 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			283,395	128,928	134,467

FRUITLAND COAL (FC)

1.1919% Frederick Elkins

Laurie Elkins

98.8081% Richardson Operating Company et als

PICTURED CLIFFS (PC)

2.3438% Frederick Elkins

Laurie Elkins

97.6562% Richardson Operating Company et als

Share of costs:

Date	Approved BY:	
		\$1,536.68
		\$127,391.13
	Total FC Costs	\$128,927.81
		\$3,151.57
		\$131,315.62
	Total PC Costs	\$134,467.19

Total Costs of Commingled PC/FC Well:

Frederick Elkins and Laurie Elkins	\$4,688.28
Richardson Operating Company et als	\$258,706.74
	\$263,395.00

Ex 9
12855