

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

November 8, 1990

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Union Oil Company of California
3300 North Butler Avenue
Suite 200
Farmington, NM 87401

Attention: Bill Hering

RECEIVED
NOV 21 1990
OIL CON. DIV.
DIST. 3

Administrative Order NSL-2938

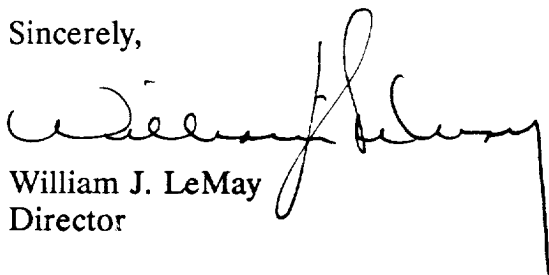
Dear Mr. Hering:

Reference is made to your application dated September 10, 1990 for a non-standard Basin-Fruitland coal gas well location for your existing Rincon Unit Well No. 56 which was drilled in 1953 and completed in the South Blanco Pictured Cliffs Pool at a standard gas well location 1650 feet from the South line and 1850 feet from the East line (Unit J) of Section 2, Township 26 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

It is my understanding that the Pictured Cliffs zone will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal Gas Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R-8768, is unorthodox. Further, the S/2 of said Section 2 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec
NM State Land Office - Santa Fe



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO HUAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

ARREY CARRUTHERS
GOVERNOR

Date: 10-8-90

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Re: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 9-26-90
for the UNOCAL Pineau Unit #56
Operator Lease & Well No.

J-2-26N-7W and my recommendations are as follows:
Unit, S-T-R

Approve

Yours truly,

Ernest Bush

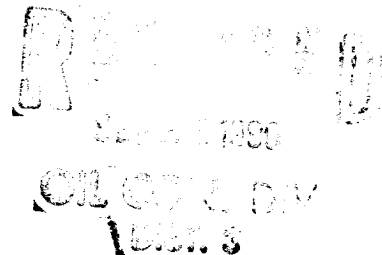
Unocal Oil & Gas Division
Unocal Corporation
3300 North Butler Avenue
Suite 200
Farmington, New Mexico 87401
Telephone (505) 326-7600
Fax: (505) 326-6145



September 10, 1990

Farmington District

Mr. William Lemay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
P.O. Box 2088
Santa Fe, NM 87503



RE: Application of Union Oil Company
of California dba Unocal for a non-
standard Location of an existing well
recompletion to the Basin Fruitland
Coal (Gas) Rincon Unit #56, 2510' FSL
& 1830' FEL, NW/4 SE/4, Sec. 2, T26N-
R7W, Rio Arriba County, NM State 291

Dear Mr. Lemay:

Union Oil Company of California dba Unocal hereby makes this application for administrative approval for a non-standard and unorthodox location to the Basin Fruitland Coal (Gas) formation as per Rule 8, Special Rules and Regulations for the Basin Fruitland Coal Gas Pool. The subject well, located in the SE/4 Sec. 2, T26N-R7W, was originally drilled to the Blanco Pictured Cliffs South formation and is no longer productive. It is proposed to plug back the Pictured Cliffs formation and recomplete uphole to the Fruitland Coal formation.

Since this well is located in the SE/4 of the section it is off pattern and therefore non-standard in the Basin Fruitland Coal. In addition, due to resurveying of the township a recent resurvey of the subject well, indicates the well is now located in an unorthodox location. See attached C-102.

A letter notifying offset operators of Unocal's intent and this application for administrative approval has been submitted to all offset operators by certified mail return receipt with a request that they furnish the NMOC with a Waiver of Objection, and that they return one copy to Unocal.

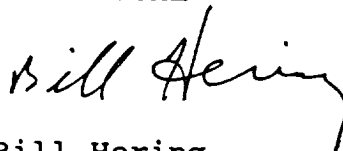
A map of the lease is attached to this application showing offset operators and owners.

Also attached is a new C-102 showing the 320 acre dedication to the Basin Fruitland Coal and copies of the letters sent to offset operators.

Union Oil Company of California requests that the Director approve this application for a non-standard and unorthodox location.

Respectfully submitted,

Union Oil Company of California
dba UNOCAL

A handwritten signature in cursive script, appearing to read "Bill Hering".

Bill Hering
District Petroleum Engineer

WH/df

Encl.

Unocal Oil & Gas Division
Unocal Corporation
3300 North Butler Avenue
Suite 200
Farmington, New Mexico 87401
Telephone (505) 326-7600
Fax: (505) 326-6145



September 6, 1990

Farmington District

Certified Mail

Meridian Oil Company
P.O. Box 4289
Farmington, NM 87499-4289

RE: Offset Owner Consent
Rincon Unit #56, 2J, T26N-R7W
Rio Arriba County, NM

Gentlemen:

Union Oil Company of California dba Unocal intends to recomplete the existing Rincon Unit #56 in the southeast quarter of Section 2, T26N-R7W to the Basin Fruitland Coal Gas formation. This well, originally drilled and completed to the Blanco Pictured Cliffs South, is no longer economic to produce. It is located 2510' FSL and 1830' FEL. An administrative approval application for a non-standard and unorthodox Basin Fruitland Coal Gas location has been made to the New Mexico Oil Conservation Division (NMOCD).

Since records show your company to be an offset owner, Unocal respectfully requests that you indicate your approval or disapproval of this project to the NMOCD. If you have no objection, please sign and date the Waiver of Objection given below, furnishing one copy to the NMOCD and forwarding one copy to the office indicated on the letter-head. Since this project is critical in regard to timing, your early response would be appreciated.

Respectfully submitted,

Union Oil Company of California
dba UNOCAL

A handwritten signature in cursive script that reads "Bill Hering".

Bill Hering
District Petroleum Engineer

WAIVER

_____ hereby waives objection to Union Oil Company of California's application for a non-standard and unorthodox Fruitland Coal location in the Rincon Unit #56 as proposed above.

By: _____

Date: _____

Unocal Oil & Gas Division
Unocal Corporation
3300 North Butler Avenue
Suite 200
Farmington, New Mexico 87401
Telephone (505) 326-7600
Fax: (505) 326-6145



September 6, 1990

Farmington District

Certified Mail

Wiser Oil Company
P.O. Box 192
Sisterville, WV 26175-0192

RE: Offset Owner Consent
Rincon Unit #56, 2J, T26N-R7W
Rio Arriba County, NM

Gentlemen:

Union Oil Company of California dba Unocal intends to recomplete the existing Rincon Unit #56 in the southeast quarter of Section 2, T26N-R7W to the Basin Fruitland Coal Gas formation. This well, originally drilled and completed to the Blanco Pictured Cliffs South, is no longer economic to produce. It is located 2510' FSL and 1830' FEL. An administrative approval application for a non-standard and unorthodox Basin Fruitland Coal Gas location has been made to the New Mexico Oil Conservation Division (NMOCD).

Since records show your company to be an offset owner, Unocal respectfully requests that you indicate your approval or disapproval of this project to the NMOCD. If you have no objection, please sign and date the Waiver of Objection given below, furnishing one copy to the NMOCD and forwarding one copy to the office indicated on the letter-head. Since this project is critical in regard to timing, your early response would be appreciated.

Respectfully submitted,

Union Oil Company of California
dba UNOCAL

Bill Hering
District Petroleum Engineer

WAIVER

_____ hereby waives objection to Union Oil Company of California's application for a non-standard and unorthodox Fruitland Coal location in the Rincon Unit #56 as proposed above.

By: _____

Date: _____

Unocal Oil & Gas Division
Unocal Corporation
3300 North Butler Avenue
Suite 200
Farmington, New Mexico 87401
Telephone (505) 326-7600
Fax: (505) 326-6145



September 6, 1990

Farmington District

Certified Mail

Burton/Hawks, Inc.
P.O. Box 359
Casper, Wyoming 82602

RE: Offset Owner Consent
Rincon Unit #56, 2J, T26N-R7W
Rio Arriba County, NM


Gentlemen:

Union Oil Company of California dba Unocal intends to recompleate the existing Rincon Unit #56 in the southeast quarter of Section 2, T26N-R7W to the Basin Fruitland Coal Gas formation. This well, originally drilled and completed to the Blanco Pictured Cliffs South, is no longer economic to produce. It is located 2510' FSL and 1830' FEL. An administrative approval application for a non-standard and unorthodox Basin Fruitland Coal Gas location has been made to the New Mexico Oil Conservation Division (NMOCD).

Since records show your company to be an offset owner, Unocal respectfully requests that you indicate your approval or disapproval of this project to the NMOCD. If you have no objection, please sign and date the Waiver of Objection given below, furnishing one copy to the NMOCD and forwarding one copy to the office indicated on the letter-head. Since this project is critical in regard to timing, your early response would be appreciated.

Respectfully submitted,

Union Oil Company of California
dba UNOCAL


Bill Hering
District Petroleum Engineer

WAIVER

_____ hereby waives objection to Union Oil Company of California's application for a non-standard and unorthodox Fruitland Coal location in the Rincon Unit #56 as proposed above.

By: _____

Date: _____

Unocal Oil & Gas Division
Unocal Corporation
3300 North Butler Avenue
Suite 200
Farmington, New Mexico 87401
Telephone (505) 326-7600
Fax: (505) 326-6145



September 6, 1990

Farmington District

Certified Mail

NCRA
1775 Sherman St., Suite 3000
Denver, Colorado 80203

RE: Offset Owner Consent
Rincon Unit #56, 2J, T26N-R7W
Rio Arriba County, NM

Gentlemen:

Union Oil Company of California dba Unocal intends to recompleate the existing Rincon Unit #56 in the southeast quarter of Section 2, T26N-R7W to the Basin Fruitland Coal Gas formation. This well, originally drilled and completed to the Blanco Pictured Cliffs South, is no longer economic to produce. It is located 2510' FSL and 1830' FEL. An administrative approval application for a non-standard and unorthodox Basin Fruitland Coal Gas location has been made to the New Mexico Oil Conservation Division (NMOCD).

Since records show your company to be an offset owner, Unocal respectfully requests that you indicate your approval or disapproval of this project to the NMOCD. If you have no objection, please sign and date the Waiver of Objection given below, furnishing one copy to the NMOCD and forwarding one copy to the office indicated on the letter-head. Since this project is critical in regard to timing, your early response would be appreciated.

Respectfully submitted,

Union Oil Company of California
dba UNOCAL

Bill Hering
Bill Hering
District Petroleum Engineer

WAIVER

_____ hereby waives objection to Union Oil Company of California's application for a non-standard and unorthodox Fruitland Coal location in the Rincon Unit #56 as proposed above.

By: _____

Date: _____

Unocal Oil & Gas Division
Unocal Corporation
3300 North Butler Avenue
Suite 200
Farmington, New Mexico 87401
Telephone (505) 326-7600
Fax: (505) 326-6145



September 6, 1990

Farmington District

Certified Mail

Atlantic Richfield Company
Box 1610
Midland, TX 79202

RE: Offset Owner Consent
Rincon Unit #56, 2J, T26N-R7W
Rio Arriba County, NM

Gentlemen:

Union Oil Company of California dba Unocal intends to recomplete the existing Rincon Unit #56 in the southeast quarter of Section 2, T26N-R7W to the Basin Fruitland Coal Gas formation. This well, originally drilled and completed to the Blanco Pictured Cliffs South, is no longer economic to produce. It is located 2510' FSL and 1830' FEL. An administrative approval application for a non-standard and unorthodox Basin Fruitland Coal Gas location has been made to the New Mexico Oil Conservation Division (NMOCD).

Since records show your company to be an offset owner, Unocal respectfully requests that you indicate your approval or disapproval of this project to the NMOCD. If you have no objection, please sign and date the Waiver of Objection given below, furnishing one copy to the NMOCD and forwarding one copy to the office indicated on the letter-head. Since this project is critical in regard to timing, your early response would be appreciated.

Respectfully submitted,

Union Oil Company of California
dba UNOCAL


Bill Hering
District Petroleum Engineer

WAIVER

_____ hereby waives objection to Union Oil Company of California's application for a non-standard and unorthodox Fruitland Coal location in the Rincon Unit #56 as proposed above.

By: _____

Date: _____

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1960, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

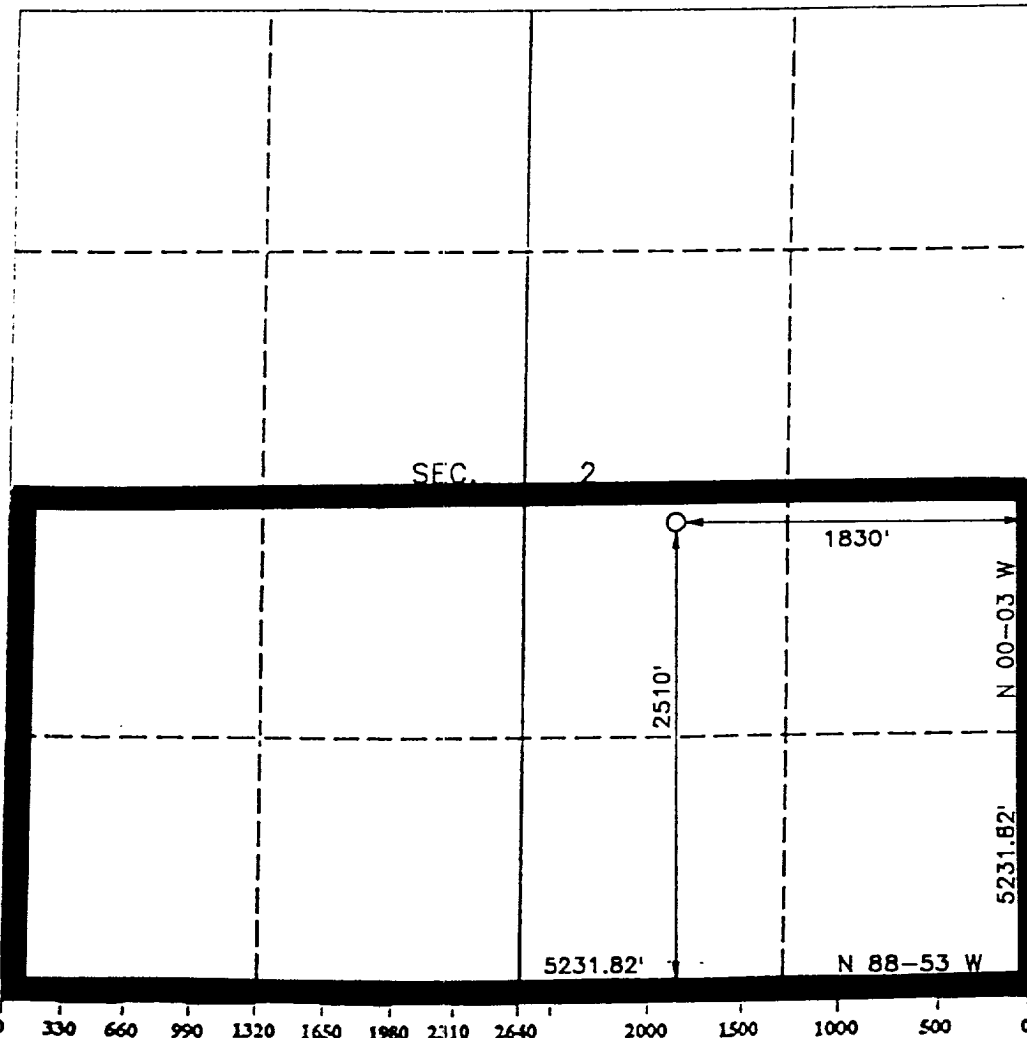
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator UNION OIL CO. OF CALIFORNIA		Lease RINCON UNIT		Well No. 56
Unit Letter J	Section 2	Township T.26 N.	Range R.7 W.	County RIO ARriba COUNTY
Actual Footage Location of Well: 2510 feet from the SOUTH line and 1830 feet from the EAST line				
Ground level Elev. 6676	Producing Formation FRUITLAND COAL	Pool BASIN FRUITLAND COAL	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary).
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
William Hering
Printed Name
William Hering
Position
Dist. Petroleum Engineer
Company
Union Oil Co. of Calif.
Date
9-7-90

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

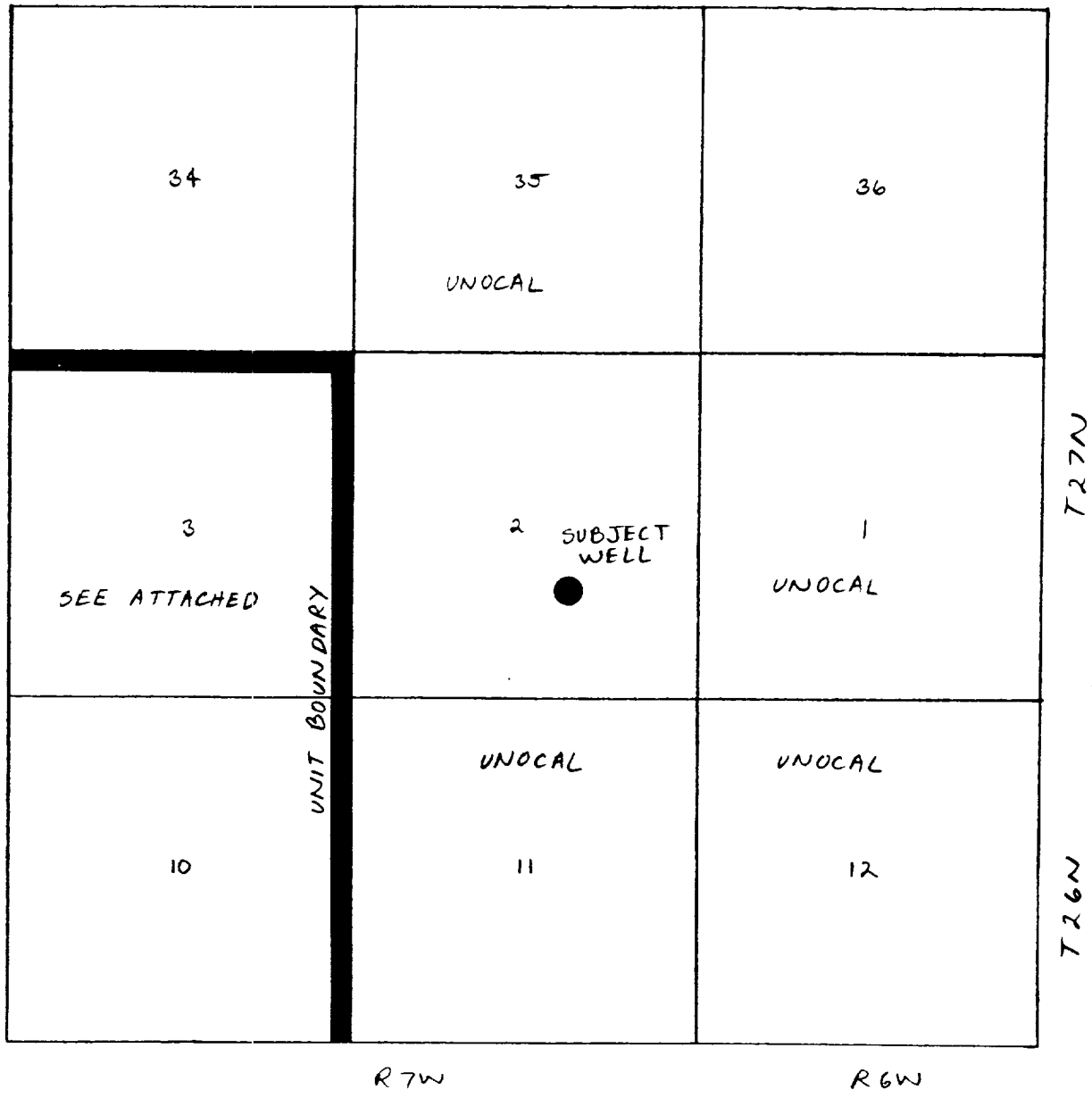
Date Surveyed
SEPTEMBER 5, 1990
Signature
Howard Daggett
Professional Surveyor
HOWARD DAGGETT
REGISTERED PROFESSIONAL LAND SURVEYOR
8879
Certificate No.
8879
Registered Professional
Land Surveyor

Calculation Record

UNOCAL 76

PREPARED BY	CHECKED BY	DATE 9-1-90	PAGE OF
-------------	------------	----------------	------------

SUBJECT RINCON UNIT #56 - OFFSET OPERATOR PLAT	W O A F E NO
---------------------------------------------------	--------------



RINCON 56 - OFFSET OWNERS & OPERATOR

Atlantic Richfield Company
Box 1610
Midland, TX 79202

Meridian Oil Company
P.O. Box 4289
Farmington, NM 87499-4289

Wiser Oil Company
P.O. Box 192
Sisterville, WV 26175-0192

Burton/Hawks, Inc.
P.O. Box 359
Casper, Wyoming 82602

NCRA
1775 Sherman St., Suite 3000
Denver, Colorado 80203