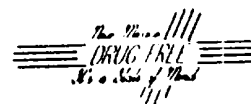




BRUCE KING
GOVERNOR

STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DIVISION
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

ANITA LOCKWOOD
CABINET SECRETARY



1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6174

Date: 1/22/94

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

RE: Proposed MC _____
Proposed NSL _____
Proposed WFX _____
Proposed NSP _____

Proposed DHC X _____
Proposed SWD _____
Proposed PMX _____
Proposed DD _____

Gentlemen:

I have examined the application received on 1-10-94
for the Chowat Revised Unit #126
OPERATOR LEASE & WELL NO.

N-27-27N-6W and my recommendations are as follows:
UL-S-T-R

Chowat

Yours truly,

378

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

UNOCAL 76

January 7, 1994

CERTIFIED RETURN RECEIPT REQUESTED

Farmington District

New Mexico Oil Conservation Division
Attn: Mr. William J. LeMay
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

New Mexico Oil Conservation Division
Attn: Mr. Frank Chavez
1000 Rio Brazos Road
Aztec, New Mexico 87410

RECEIVED
JAN 10 1994
OIL CON. DIV.
DIST. 3

Dear Sirs:

Union Oil Company of California (UNOCAL) requests permission to downhole commingle production from the Blanco Mesaverde and Basin Dakota formations in the following well:

Rincon Unit No. 126
800' FSL, 1850' FWL
Section 27, T27N, R6W
Rio Arriba County, New Mexico

As provided by Order No. R-9893, administrative approval may be granted without notice and hearing.

As required for an exception to rule 303-A, the following information is attached:

1. An acreage dedication plat showing offset lease ownership.
2. A Form C-116 showing current productivity from each zone.
3. A wellbore diagram with completion detail.
4. A bottomhole pressure from each zone and a calculated adjustment to a common datum.
5. Gas analyses from each zone.
6. An allocation formula for commingled production.
7. A copy of the notification letter sent to all offset operators and the Bureau of Land Management.

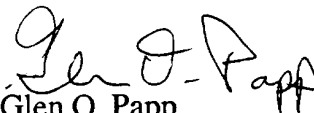
The Blanco Mesaverde formation is currently marginally economic. Commingling will allow for better lift of liquids production and benefits from compression.

Both zones produce essentially dry gas. Therefore, the respective formation fluids are compatible. Also, no crossflow will occur between the commingled zones.

If you have any questions, please contact Dana Delventhal at (505)326-7600. Thank you for your consideration in this matter.

Sincerely,

Union Oil Company of California
dba UNOCAL


Glen O. Papp
Field Superintendent

Attachments

GOP/DLD/df

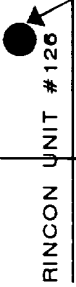
OFFSET LEASE OWNERSHIP

R 6 W

T 27 N

21	22	23
28	27	26
CAULKINS 3547	EL PASO SF079210	CAULKINS 3547
33	34	35

RINCON UNIT #126



Submit 2 copies to Appropriate
District Office.
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-116
Revised 1/1/89

GAS - OIL RATIO TEST

Operator		Pool		County										
UNION OIL COMPANY OF CALIFORNIA		BLANCO MESAVERDE/BASIN DAKOTA		RIO ARRIBA										
Address		TYPE OF TEST - (X)		Completion										
3300 NORTH BUTLER, SUITE 200, FARMINGTON, NEW MEXICO 87401		Scheduled		Special										
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU FT/BBL
		U	S	T	R						WATER BBL.S.	GRAV. OIL	OIL BBL.S.	
RINCON UNIT	126	N	27	27N	6W	11/93	F	64/64"	282					
BLANCO MESAVERDE														
BASIN DAKOTA						11/93	F	64/64"	292	24	-0-	0.4	30	75,000
										24	-0-	1.0	145	145,000

Instructions:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

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


Signature

GLEN O. PAPP

FIELD SUPERINTENDENT

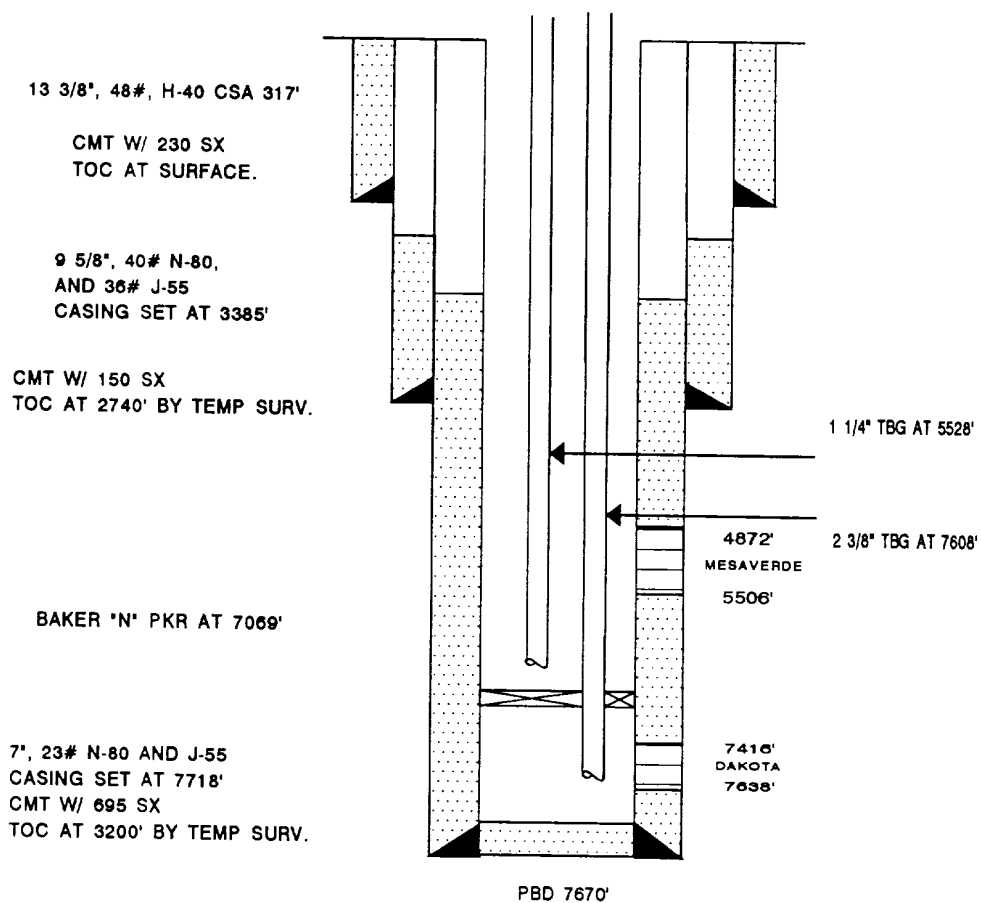
Printed name and title

JANUARY 7, 1994
Date

(505) 326-7600
Telephone No.

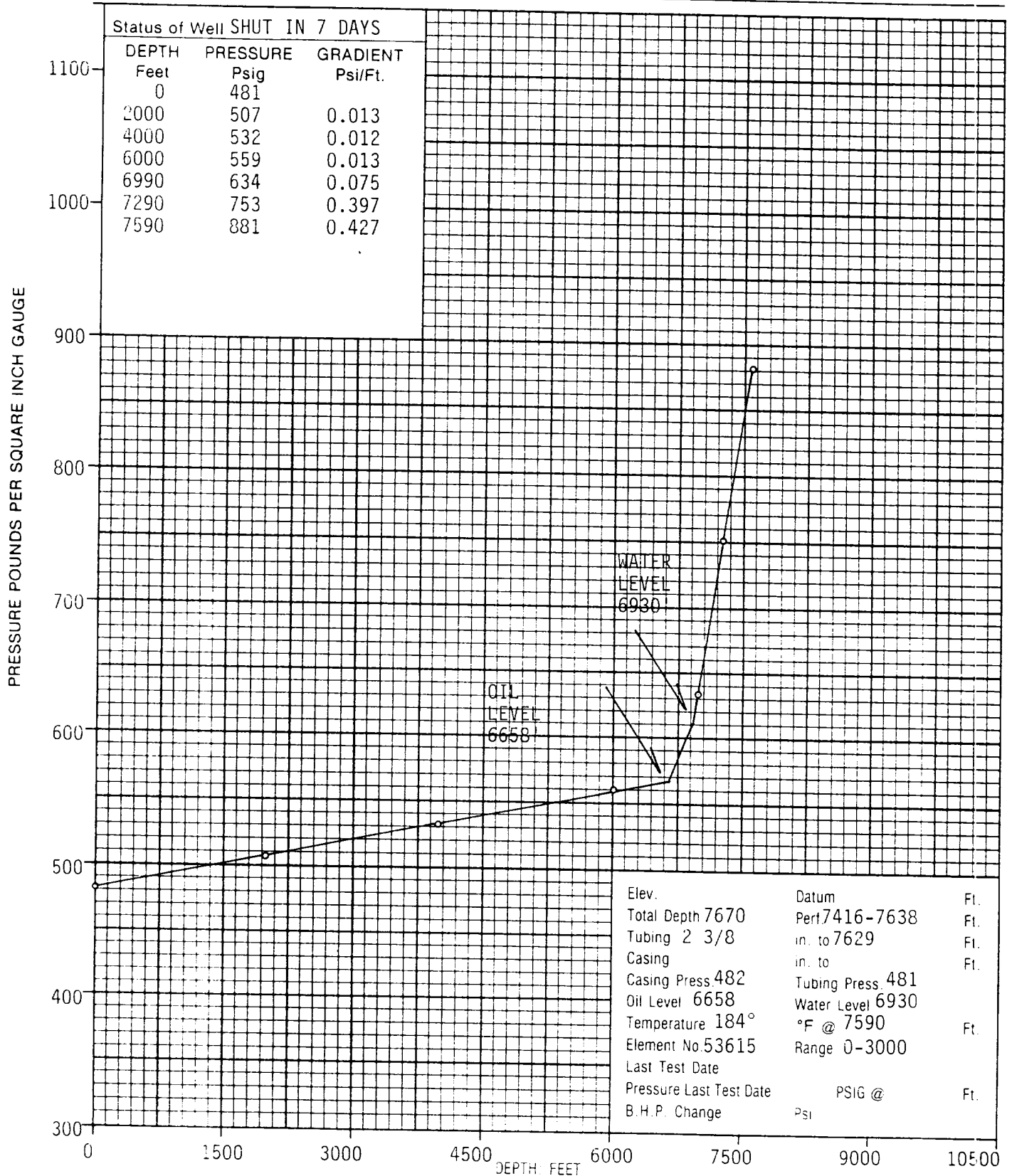
RINCON UNIT #126

800' FSL, 1850' FWL
SEC. 27, T27N, R6W





Company UNOCAL Lease RINCON UNIT Well No. 126
Field SAN JUAN BASIN County RIO ARRIBA State N.M.
Formation DAKOTA- MESA VERDE Test Date 9-21-93



Page 6 of 19

File _____

COMPANY UNOCAL LEASE RINCON UNIT WELL NO. 126
FIELD _____ COUNTY RIO ARriba STATE NEW MEXICO
FORMATION MESA VERDE TEST DATE _____ TIME _____

FLUID LEVEL REPORT

WELL DATA

Elevation _____ feet Datum _____ feet subsea Total Depth _____ feet
Perforations 4872-5486 feet Test Depth 5179 feet Packer 7069 feet
Tubing Size 1 1/4 in. to 5528 feet Tubing Pressure _____ psig
Casing Size _____ in. to _____ feet Casing Pressure 482 psig
Oil Level _____ feet Water Level _____ feet Average Tubing Joint 31.5 feet
Well Makes 0 % Oil, 100 % Water Atmospheric Temperature _____ °F
Status of Well Shut in 7 days Operator JR-SB Unit No. P-204

PRESSURE DATA

	Feet	Gradient Psig/Ft.	Psi
Casing Pressure			482
GAS			
Average Tubing Joints <u>31.5</u> ft. Joints to Fluid <u>156</u> Feet to Fluid.	4914	0.013	64
OIL			
Fluid Column Length _____ ft. % Oil _____ Oil Column Length.			
WATER			
Fluid Column Length <u>265</u> Ft. % Water <u>100</u> Water Column Length.	265	0.430	114

PRESSURE AT TEST DEPTH

Calculated subsurface pressure at datum depth of 5179 feet subsea is 660 psig
Last Test Date _____ Pressure Last Test _____ psig BHP Change _____ psi
Remarks: _____

RINCON UNIT NO. 126

After a 7 day SI period:

$$\text{Mesaverde BHP} = 660 \text{ psi @ } 5179'$$

$$\text{Dakota BHP} = 881 \text{ psi @ } 7590'$$

$$\text{Gas Gradient} = 0.013 \text{ psi/ft}$$

Adjusting to a common datum of 5179':

$$\text{Mesaverde BHP} = 660 \text{ psi}$$

$$\text{Dakota BHP} = 881 - [(0.013)(7590 - 5179)] = 850 \text{ psi}$$

Therefore the reservoir pressures fall within the 50% requirement.

EL PASO NATURAL GAS COMPANY
VOLUME ACCOUNTING DEPARTMENT
MEASUREMENT DIVISION
POST OFFICE BOX 1492
EL PASO, TEXAS 79978
PHONE: (915) 541-5267

DATE 6/08/93

CHROMATOGRAPHIC GAS ANALYSIS REPORT

MAILEE

94100 UNION OIL COMPANY OF CALIFORNIA
ATTN: SHARON L. MILLER
P.O. BOX 671
MIDLAND, TX 79702-0671

METER NUMBER 72580 - RINCON UNIT NP #126 MV
OPERATOR 9165 - UNION OIL CO OF CALIF

ANALYSIS DATE 4/29/93 TYPE CODE 2 - ACTUAL
SAMPLE DATE 4/20/93 H2S GRAINS 0
EFFECTIVE DATE 5/01/93 LOCATION D - DANIELS FM
EFFECTIVE FOR 6 MONTHS

COMPONENTS	NORMALIZED MOL %	GPM
CO2	1.34	.000
H2S	.00	.000
N2	.22	.000
METHANE	89.78	.000
ETHANE	5.41	1.447
PROPANE	1.59	.438
ISO-BUTANE	.43	.141
NORM-BUTANE	.45	.142
ISO-PENTANE	.26	.095
NORM-PENTANE	.15	.054
HEXANE PLUS	.37	.161
	100.00	2.478

SPECIFIC GRAVITY .642

MIXTURE HEATING VALUE
(BTU @ 14.73 DRY) 1112

RATIO OF SPECIFIC HEATS 1.298

NO TEST SECURED FOR H2S CONTENT

EL PASO NATURAL GAS COMPANY
VOLUME ACCOUNTING DEPARTMENT
MEASUREMENT DIVISION
POST OFFICE BOX 1492
EL PASO, TEXAS 79978
PHONE:(915) 541-5267

DATE 1/08/93

CHROMATOGRAPHIC GAS ANALYSIS REPORT

MAILEE

94100 UNION OIL CO. OF CALIFORNIA
ATTN: SHARON L. MILLER
P.O. BOX 671
MIDLAND, TEXAS 79702

METER NUMBER 74981 - RINCON UNIT #126 DK
OPERATOR 9165 - UNION OIL CO OF CALIF

ANALYSIS DATE 12/04/92 TYPECODE 2 - ACTUAL
SAMPLE DATE 12/03/92 H2S GRAINS 0
EFFECTIVE DATE 1/01/93 LOCATION F - FARMINGTON
EFFECTIVE FOR 6 MONTHS

COMPONENTS	NORMALIZED MOL %	GPM
CO2	1.39	.000
H2S	.00	.000
N2	.24	.000
METHANE	89.18	.000
ETHANE	5.84	1.562
PROPANE	1.78	.491
ISO-BUTANE	.43	.141
NORM-BUTANE	.46	.145
ISO-PENTANE	.24	.088
NORM-PENTANE	.13	.047
HEXANE PLUS	.31	.135
	100.00	2.609

SPECIFIC GRAVITY .644

MIXTURE HEATING VALUE
(BTU @ 14.73 DRY) 1114

RATIO OF SPECIFIC HEATS .000

NO TEST SECURED FOR H2S CONTENT

RINCON UNIT NO. 126
ALLOCATION FORMULA

GAS PRODUCTION:

Mesaverde Rate	30 MCFD
Dakota Rate	<u>145</u> MCFD
Total Rate	<u>175</u> MCFD

Therefore,

Mesaverde	17%
Dakota	83%

OIL PRODUCTION:

Mesaverde Rate	0.4 BOPD
Dakota Rate	<u>1.0</u> BOPD
Total Rate	<u>1.4</u> BOPD

Therefore,

Mesaverde	29%
Dakota	71%

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

UNOCAL 76

January 7, 1994

Farmington District

United States Department of the Interior
Bureau of Land Management
1235 La Plata Highway
Farmington, New Mexico 87401

Dear Sirs:

Union Oil Company of California (UNOCAL) has requested permission from the New Mexico Oil Conservation Division to downhole commingle production from the Blanco Mesaverde and Basin Dakota formations in the following well:

Rincon Unit No. 126
800' FSL, 1850' FWL
Section 27, T27N, R6W
Rio Arriba County, New Mexico

If you have any objections to this proposal, please notify the NMOCD within twenty (20) days. If you have any questions about this application, please contact Dana Delventhal at (505)326-7600.

Sincerely,

Union Oil Company of California
dba UNOCAL


Glen O. Papp
Field Superintendent

GOP/DLD/df

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

UNOCAL 76

January 7, 1994

Farmington District

Meridian Oil Production Inc.
P.O. Box 4289
Farmington, New Mexico 87499

Dear Sirs:

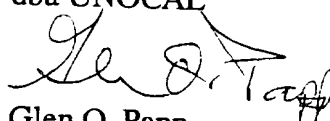
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Section 27, T27N, R6W
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Sincerely,

Union Oil Company of California
dba UNOCAL



Glen O. Papp
Field Superintendent

GOP/DLD/df

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

UNOCAL 76

January 7, 1994

Farmington District

Caulkins Oil Company
310 North First
Bloomfield, New Mexico 87413

Dear Sirs:

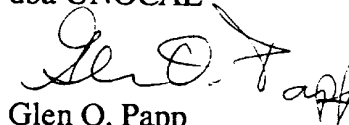
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Sincerely,

Union Oil Company of California
dba UNOCAL



Glen O. Papp
Field Superintendent

GOP/DLD/df