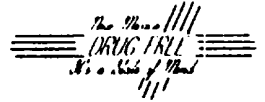




BRUCE KING
GOVERNOR

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) 334-6178

Date: 1/22/94

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

RE: Proposed MC _____ Proposed DHC X _____
Proposed NSL _____ Proposed SWD _____
Proposed WFX _____ Proposed PMX _____
Proposed NSP _____ Proposed DD _____

Gentlemen:

I have examined the application received on 1/10/94
for the Unocal Rincon Unit # 127
OPERATOR LEASE & WELL NO.

A-28-27N-6W and my recommendations are as follows:
UL-S-T-R

Agree

Yours truly,

35.8

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. 127
1190' FNL, 890' FEL
Section 28, 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.

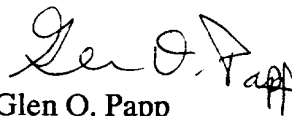
The Blanco Mesaverde formation is currently marginally economic. Commingling will allow for better lift of liquids production and benefits from compression.

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

A handwritten signature in black ink, appearing to read "Glen O. Papp". The signature is fluid and cursive, with a large initial "G" and a stylized "P" at the end.

Glen O. Papp
Field Superintendent

Attachments

GOP/DLD/df

OFFSET LEASE OWNERSHIP

R 6 W

20	21	22
29	RINCON UNIT #127 28	27
32	CAULKINS 3547 33	EL PASO SF079210 CAULKINS 3547 34

T 27 N

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 UNION OIL COMPANY OF CALIFORNIA		Pool BLANCO MESAVERDE/BASIN DAKOTA		County RIO ARRIBA										
Address 3300 NORTH BUTLER, SUITE 200, FARMINGTON, NEW MEXICO 87401		TYPE OF TEST - (X)		Completion ☒ Scheduled ☐										
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 BBLs.	GRAV. OIL		OIL BBLs.
RINCON UNIT BLANCO MESAVERDE BASIN DAKOTA	127	A	28	27N	6W	11/93	F 64/64"	285		24	-0-	-0-	40	--
						11/93	F 64/64"	291		24	-0-	1.5	165	110,000

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

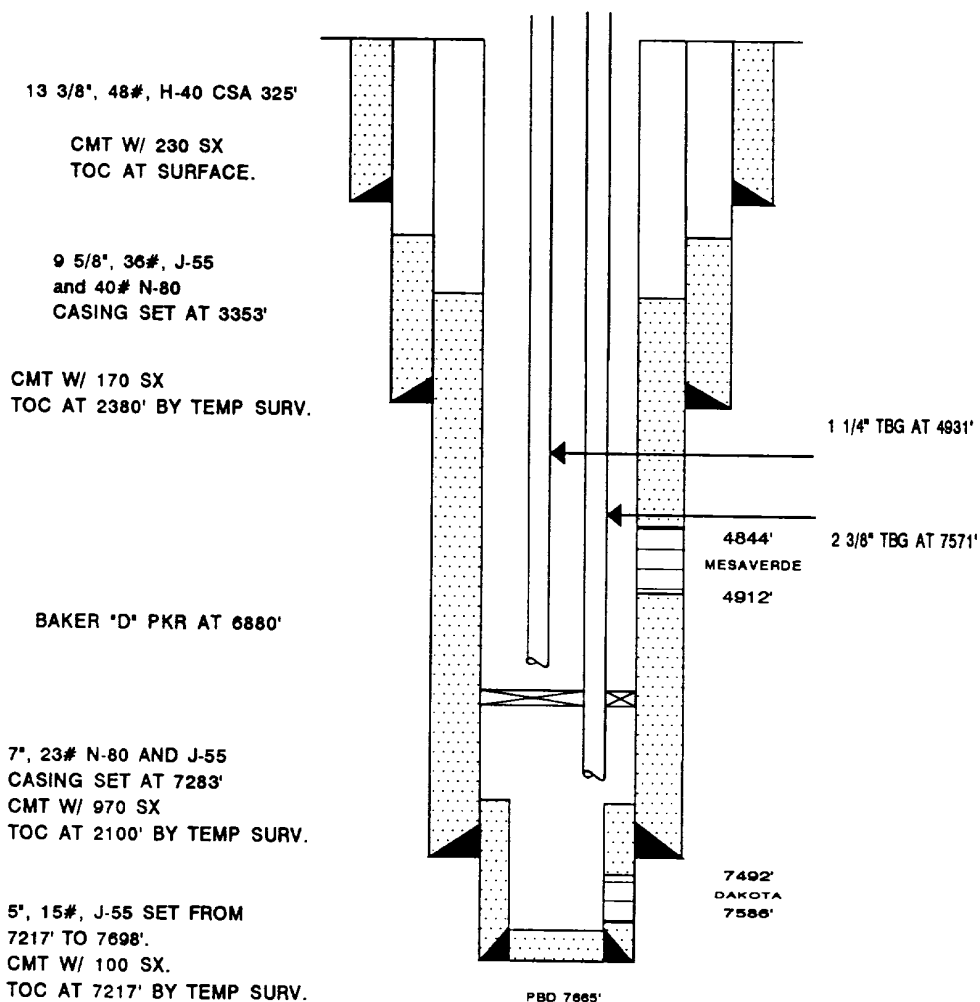
Date

(505) 326-7600

Telephone No.

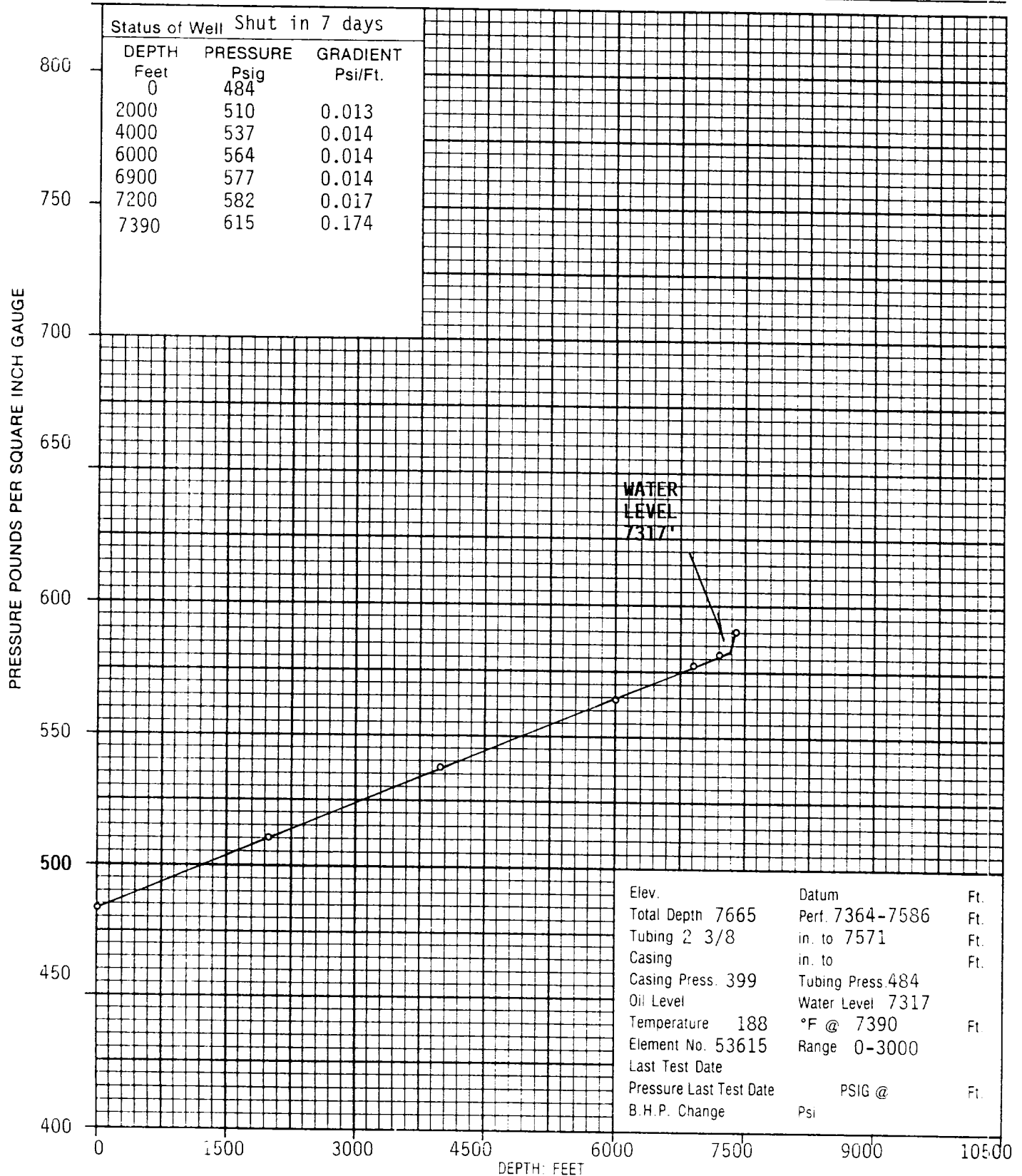
RINCON UNIT #127

1190' FNL, 890' FEL
SEC. 28, T27N, R6W





Company UNOCAL Lease RINCON UNIT Well No. 127
Field SAN JUAN BASIN County RIO ARRIBA State N. M.
Formation DAKOTA-MESA VERDE Test Date 9-21-93



Page 8 of 19

File 2-25399-FL&P

COMPANY UNOCAL LEASE RINCON UNIT WELL NO. 127
FIELD _____ COUNTY RIO ARriba STATE NEW MEXICO
FORMATION MESA VERDE TEST DATE 9-21-93 TIME _____

FLUID LEVEL REPORT

WELL DATA

Elevation _____ feet Datum _____ feet subsea Total Depth _____ feet
Perforations 4844-4912 feet Test Depth 4878(MP) feet Packer 6880 feet
Tubing Size 1 1/4 in. to 4931 feet Tubing Pressure 399 psig
Casing Size _____ in. to _____ feet Casing Pressure 399 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			399
GAS			
Average Tubing Joints <u>31.5</u> ft. Joints to Fluid <u>150</u> Feet to Fluid.	4725	0.010	47
OIL			
Fluid Column Length _____ ft. % Oil _____ Oil Column Length.			
WATER			
Fluid Column Length <u>153</u> Ft. % Water <u>100</u> Water Column Length.	153	0.430	66

PRESSURE AT TEST DEPTH

Calculated subsurface pressure at datum depth of 4878 feet subsea is 512 psig
Last Test Date _____ Pressure Last Test _____ psig BHP Change _____ psi
Remarks: _____

After a 7 day SI period:

$$\text{Mesaverde BHP} = 512 \text{ psi @ } 4878'$$

$$\text{Dakota BHP} = 615 \text{ psi @ } 7390'$$

$$\text{Gas Gradient} = 0.014 \text{ psi/ft}$$

Adjusting to a common datum of 4878':

$$\text{Mesaverde BHP} = 512 \text{ psi}$$

$$\text{Dakota BHP} = 615 - [(0.014)(7390 - 4878)] = 580 \text{ psi}$$

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) 541-5287
CHROMATOGRAPHIC GAS ANALYSIS REPORT

DATE 8/08/92

MAILEE
94100

UNION OIL CO. OF CALIFORNIA
ATTN: MIDLAND PRODUCTION DEPT.
P.O. BOX 671
MIDLAND, TEXAS 79702

METER NUMBER 72595 - RINCON UNIT #127 MV
OPERATOR 9165 - UNION OIL CO OF CALIF

ANALYSIS DATE	5/13/92	TYPE CODE	2 - ACTUAL
SAMPLE DATE	5/12/92	H2S GRAINS	0
EFFECTIVE DATE	6/01/92	LOCATION	F - FARMINGTON
EFFECTIVE FOR	3 MONTHS		

COMPONENTS	NORMALIZED MOL %	GPM
CO2	1.02	.000
H2S	.00	.000
N2	.39	.000
METHANE	81.78	.000
ETHANE	10.52	2.814
PROPANE	4.22	1.163
ISO-BUTANE	.60	.196
NORM-BUTANE	.84	.265
ISO-PENTANE	.28	.102
NORM-PENTANE	.19	.069
HEXANE PLUS	<u>.16</u>	<u>.070</u>
	100.00	4.679

SPECIFIC GRAVITY .694
MIXTURE HEATING VALUE
(BTU @ 14.73 DRY) 1199
RATIO OF SPECIFIC HEATS .000
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 12/08/92

CHROMATOGRAPHIC GAS ANALYSIS REPORT

MAILEE

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

METER NUMBER 72596 - RINCON UNIT #127 DK
 OPERATOR 9165 - UNION OIL CO OF CALIF

ANALYSIS DATE 10/15/92 TYPE CODE 2 - ACTUAL
 SAMPLE DATE 10/13/92 H2S GRAINS 0
 EFFECTIVE DATE 11/01/92 LOCATION F - FARMINGTON
 EFFECTIVE FOR 6 MONTHS

COMPONENTS	NORMALIZED MOL %	GPM
CO2	1.35	.000
H2S	.00	.000
N2	.27	.000
METHANE	85.97	.000
ETHANE	7.76	2.076
PROPANE	2.71	.747
ISO-BUTANE	.59	.193
NORM-BUTANE	.68	.214
ISO-PENTANE	.30	.110
NORM-PENTANE	.16	.058
HEXANE PLUS	.21	.092
	100.00	3.490

SPECIFIC GRAVITY .667

MIXTURE HEATING VALUE
 (BTU @ 14.73 DRY) 1150

RATIO OF SPECIFIC HEATS .000

NO TEST SECURED FOR H2S CONTENT

RINCON UNIT NO. 127
ALLOCATION FORMULA

<u>GAS PRODUCTION:</u>	Mesaverde Rate	40 MCFD
	Dakota Rate	<u>165</u> MCFD
	Total Rate	<u>205</u> MCFD

Therefore,	Mesaverde	20%
	Dakota	80%

<u>OIL PRODUCTION:</u>	Mesaverde Rate	0.0 BOPD
	Dakota Rate	<u>1.5</u> BOPD
	Total Rate	<u>1.5</u> BOPD

Therefore,	Mesaverde	0%
	Dakota	100%

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:

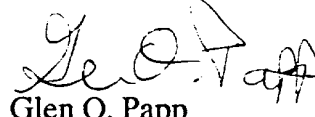
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Rincon Unit No. 127
1190' FNL, 890' FEL
Section 28, T27N, R6W
Rio Arriba County, New Mexico

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:

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:

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1190' FNL, 890' FEL
Section 28, T27N, R6W
Rio Arriba County, New Mexico

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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:

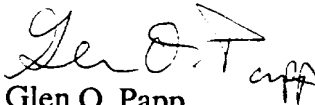
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Sincerely,

Union Oil Company of California
dba UNOCAL


Glen O. Papp
Field Superintendent

GOP/DLD/df