

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY



RECEIVED
SEP -1 1993
OIL CON. DIV. 1
DIST. 3

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

ADMINISTRATIVE ORDER DHC-911

UNOCAL Oil and Gas Division
330 North Butler Avenue
Farmington, NM 87401

Attention: Glen O. Papp

*Rincon Unit Well No. 184-M
Unit P, Section 15, Township 27 North, Range 7 West, NMPM,
Rio Arriba County, New Mexico.
Blanco Mesaverde and Basin Dakota Pools*

Dear Mr. Papp:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C-4., total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

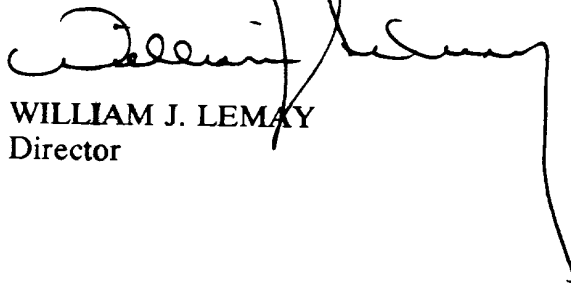
Blanco Mesaverde	Oil	0%	Gas	4%
Basin Dakota	Oil	100%	Gas	96%

FURTHER: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 25th day of August, 1993.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

WJL/BES/amg

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington



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

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

Date: 8-27-93

Atty. General Catanach

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 8-7-30-93
for the UNOCAL RINCON U. 184M
OPERATOR LEASE & WELL NO.

P-15-27N-07W and my recommendations are as follows:
UL-S-T-R

Approved

Yours truly,

Ernie K. 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

UNOCAL 76

July 28, 1993

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

JUL 30 1993

**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. 184M
790' FSL, 1025' FEL
Section 15, T27N, R7W
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.

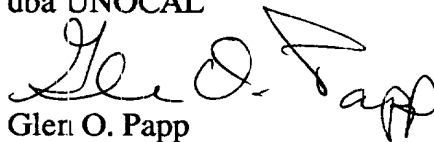
The Blanco Mesaverde formation is uneconomic to drill as a stand alone well. To develop these reserves, a dual or commingled completion is required. We estimate an ultimate recovery of approximately 750 MMCF from the Mesaverde horizon, which would otherwise remain undeveloped. Also, commingling will 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 the first name "Glen" and last name "Papp" being more prominent.

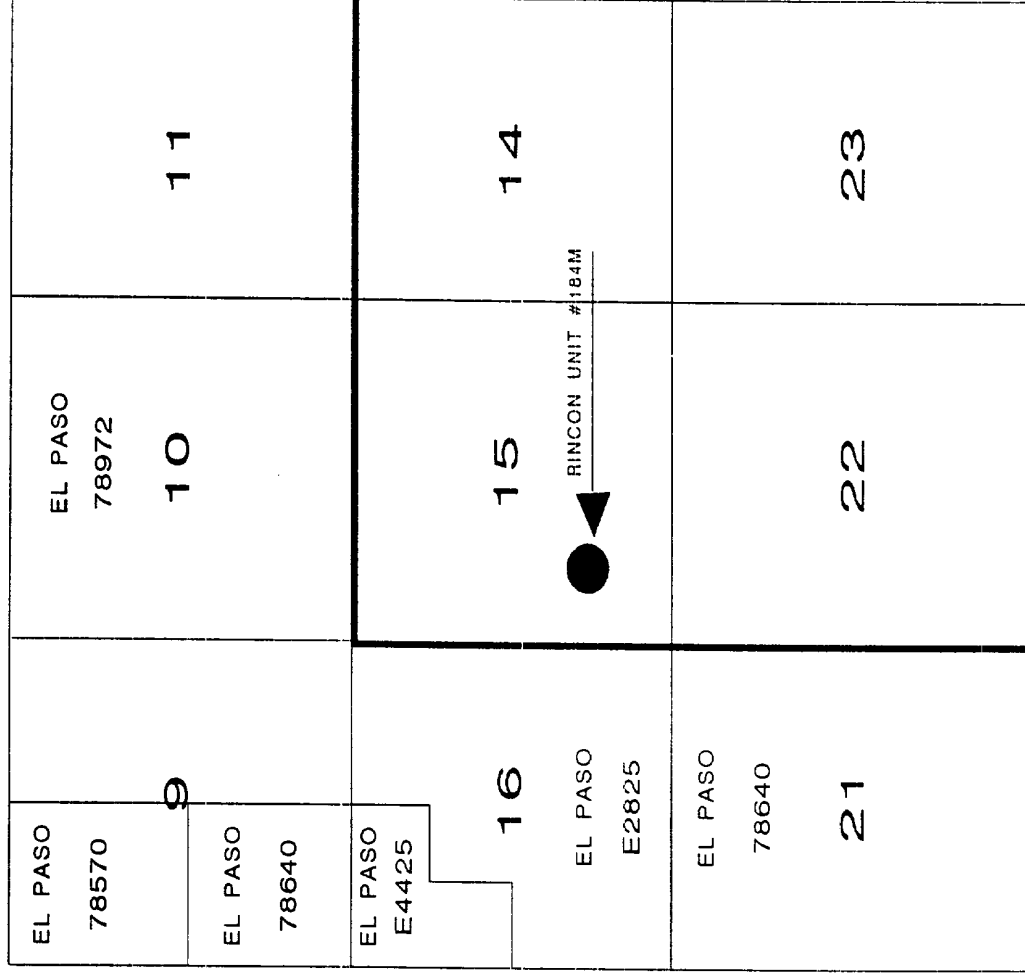
Glen O. Papp
Field Superintendent

Attachments

GOP/DLD/df

OFFSET LEASE OWNERSHIP

R 7 W



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		Pool		County										
Union Oil Company of California		Blanco Mesaverde/Basin Dakota		Rio Arriba										
Address		TYPE OF TEST - (X)		Completion		Special								
3300 N. Butler, Suite 200, Farmington, NM 87401		SCHEDULED		X										
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	184M	P	15	27N	7W									
Blanco Mesaverde						12/28/92	F 14/64"	165		24	-0-	-0-	16	---
Basin Dakota						12/16/92	F 17/64"	300		24	4	1	347	347,000

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

July 28, 1993

Date

(505) 326-7600

Telephone No.

RINCON UNIT NO. 184-M
790' FSL, 102. FSL SEC 15 T27N R7W
RIO ARRIBA COUNTY, NM

12 1/4" Hole

KB DATUM = 12' ABOVE G.L.
GROUND ELEVATION = 6616'

8-5/8" 24# J-55 @ 380'
Cmt'd w/ 240 SX - CIRC
To Surface

7-7/8" Hole

DV TOOL @ 3621'
Cmt'd Stage #3 w/ 889 sxs- Circ To Surface
Squeezed Leak In DV Tool w/85 sxs

TOC @ 4300' By Cement Bond Log

UPPER MESA VERDE

4824-42, 4876-92, 4922-36, 4974-84, 5046-62,
5130-52', w/4 SPF

**"XO" Sliding Sleeve
@ 5470'**

LOWER MESA VERDE

5378-5430', w/4 SPF

**Gulberson Uni VI
pkr @ 5479'**

TUBING DETAIL
241 Jts 2-3/8" EUE 8rd J-55
@ 7634'

DV TOOL @ 5744'
Cmt'd Stage #2 w/330 sxs

DAKOTA

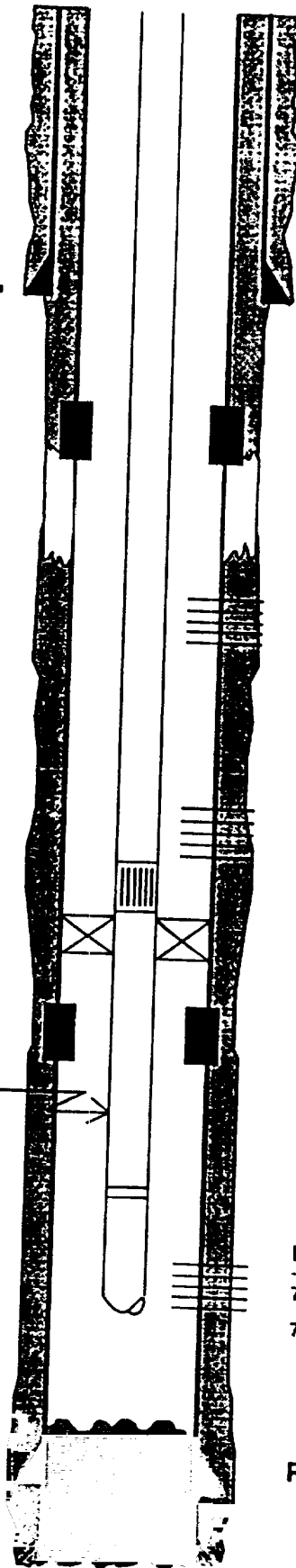
7406-38, 7530-52, 7566-72, 7584-7606, 7614-20,
7644-60', w/4 SPF

**5-1/2" 17# N-80, K-55
@ 7750'**

Cmt'd Stage 1 w/ 400 sxs

PBTD = 7708'

TD @ 7750'



B & R SERVICE, INC.

P. O. Box 1048
Farmington, New Mexico 87499
(505) 325-2393

Company Unocal Lease Rincon Well 184-E
County Rio Arriba State N.M. Date 12-9-92
Shut-In _____ Zero Point K.B. Tbg. Pressure 525
Casing Pressure _____ Tbg. Depth _____ Casing Perf. _____
Max. Temp. _____ Fluid Level 4990

DEPTH

PSIG

GRADIENT

0	527	- - -
1000	538	.011
2000	549	.011
3000	561	.012
4000	574	.013
5000	640	.066
6000	1059	.419
7000	1487	.428
7200	1572	.425
7400	1659	.435
7595	1740	.415

FLUID LEVEL SURVEY

CCUNTY: RIO ARriba

DATE:

STATE: N. MEX.

AVERAGE TUBING LENGTH:
REMARKS:

RINCON UNIT NO. 184 M

After a 7 day SI period:

$$\text{Mesaverde BHP} = 1753 \text{ psi @ } 5127'$$

$$\text{Dakota BHP} = 1740 \text{ psi @ } 7595'$$

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

Adjusting to a common datum of 5127':

$$\text{Mesaverde BHP} = 1753 \text{ psi}$$

$$\text{Dakota BHP} = 1740 - [(0.013)(7595 - 5127)] = 1708 \text{ psi}$$

Therefore the reservoir pressures fall within the 50% requirement.



WELL ANALYSIS COMPARISON

LEASE: RINCON 184M

DECEMBER 21, 1992

DATE: 12/9/92 12/16/92

NO.: 20043 20046
MESAVERDE DAKOTA

	MOLE %	MOLE %
	-----	-----
NITROGEN	0.702	0.169
CO2	0.435	1.200
METHANE	86.677	91.707
ETHANE	6.988	4.909
PROPANE	3.594	1.145
I-BUTANE	0.498	0.198
N-BUTANE	0.663	0.283
I-PENTANE	0.171	0.114
N-PENTANE	0.129	0.086
HEXANE+	0.143	0.189

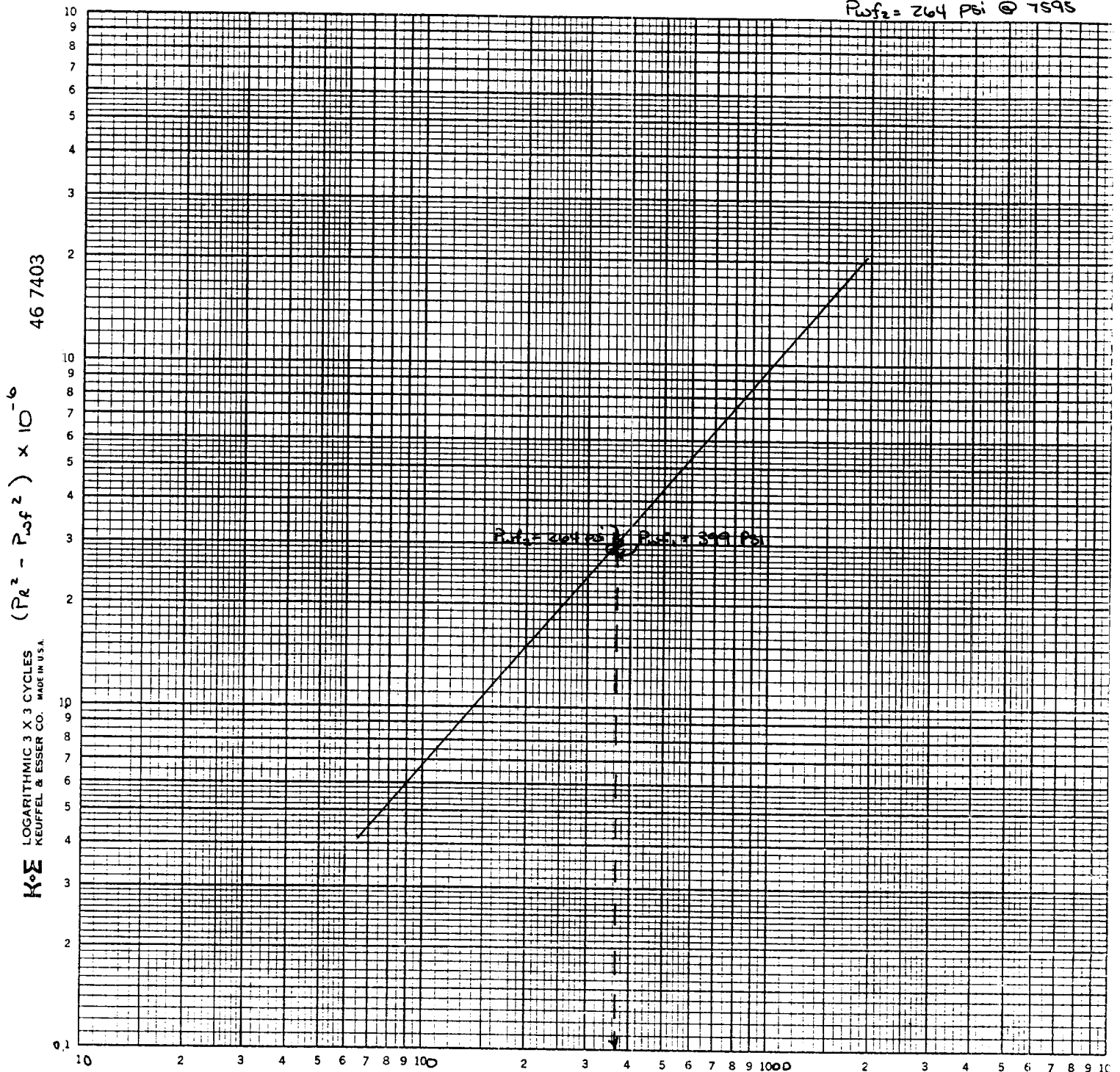
BTU'S	1152.7	1080.4
-----	-----	-----

GPM	3.4034	1.9380
-----	-----	-----

SPEC GRAV	0.6578	0.6182
-----	-----	-----

BASIN DAKOTA.

$P_{wf2} = 264 \text{ psi @ } 7595'$


$$Q_2 = 365 \text{ MCFD}$$

Q (MCFD)

RINCON UNIT NO. 184 M
ALLOCATION FORMULA
(BASED ON ADJUSTED C-116)

GAS PRODUCTION:

Mesaverde Rate	16 MCFD
Dakota Rate	<u>365</u> MCFD
Total Rate	<u>381</u> MCFD

Therefore,

Mesaverde	4%
Dakota	96%

OIL PRODUCTION:

Mesaverde Rate	0 BOPD
Dakota Rate	<u>1</u> BOPD
Total Rate	<u>1</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

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July 28, 1993

Farmington District

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

Dear Sirs:

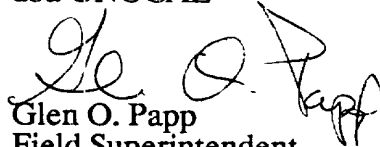
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790' FSL, 1025' FEL
Section 15, T27N, R7W
Rio Arriba County, New Mexico

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 

July 28, 1993

Farmington District

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

Dear Sirs:

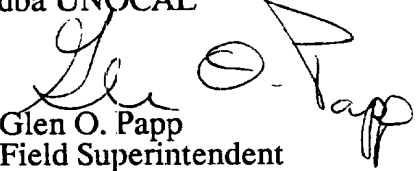
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