



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

ADMINISTRATIVE ORDER DHC-919

UNOCAL Oil & Gas Division
3300 North Butler Avenue
Farmington, NM 87401

Attention: Glen O. Papp

RECEIVED
SEP 23 1993
OIL CON. DIV.]
DIST. 3

*Rincon Unit Well No. 182-E
Unit J, Section 26, Township 27 North, Range 6 West, NMPM,
Rio Arriba County, New Mexico.
Undesignated Gallup 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:

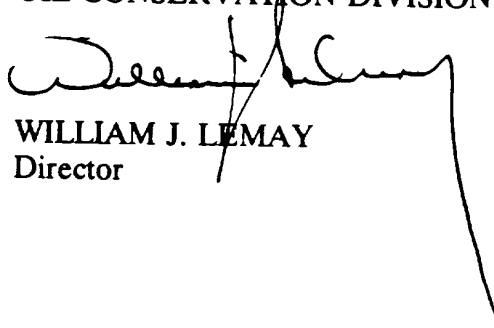
Undesignated Gallup Pool	Oil	50%	Gas	36%
Basin Dakota Pool	Oil	50%	Gas	64%

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Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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 17th day of September, 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: 8-17-93

Atty. David Catano

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 8-17-93
for the UCCAL RECON WITH 182E
OPERATOR LEASE & WELL NO.

J-26-27N-06W and my recommendations are as follows:
UL-S-T-R

Approved

Yours truly,

David Catano

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

August 12, 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
AUG 17 1993
OIL CON. DIV
DIST. 3

Dear Sirs:

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

Rincon Unit No. 182E
1690' FSL, 1500' FEL
Section 26, 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.

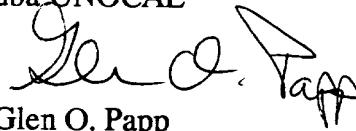
The Undesignated Gallup formation is uneconomic to drill as a stand alone well. To develop these reserves, a dual or commingled completion is required. We estimate an ultimate recovery of approximately 300 MMCF from the Gallup horizon, which would otherwise remain undeveloped. Also, commingling will 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", is written over the typed name.

Glen O. Papp
Field Superintendent

Attachments

GOP/DLD/df

OFFSET LEASE OWNERSHIP

R 6 W

T 27 N

22		23		EL PASO SF079365	EL PASO
				24	
27		26		25	
		RINCON UNIT #182		EL PASO SF079367B	
EL PASO SF079210	CAULKINS 3547	34		EL PASO E290-28	E290-28
		35		E290-28	E290-6
				E290-36	E290
		36			

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		Undesignated Gallup/Basin Dakota		Rio Arriba									
Address		TYPE OF TEST - (X)		Completion		Special							
3300 N. Butler, Suite 200, Farmington, NM 87401		SCHEDULED		X		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
Rincon Unit	182E	J	26	27N	6W	1/20/93	F 12/64"	430		24	-0-	289	--
Undesignated Gallup Basin Dakota						3/27/93	F 15/64"	470		24	8	517	--

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

August 12, 1993
Date

(505) 326-7600
Telephone No.

RINCON UNIT NO. 182 E
1690' FSL, 1500' FEL, SEC 26, T27N-R6W
RIO ARriba COUNTY, NM

KB Datum 13' Above GL
Ground Elevation = 6644'

12-1/4" Hole

TOP of CMT @ 150' by Cement Bond Log
In 5-1/2" Production String

8-5/8" 24# @ 370'
CMT'D / 250 SX
CIRC TO SURF

DV TOOL @ 3527'
Stage #3 CMT'D w/ 830 sxs

7-7/8" Hole

GALLUP
6812-82, 6914-48, 7016-26' W/ 4 SPF

Sliding Sleeve
@ 7027'

Guiberson UNI-VI
PKR @ 7036'

DV TOOL @ 5988'
Stage #2 CMT'D w/ 410 sxs

DAKOTA
7484-94, 7510-18, 7570-80, 7606-26'
7656-74, 7680-90, 7696-7738' W/ 4 SPF

7767-7818' W/ 4 SPF

TUBING DETAIL

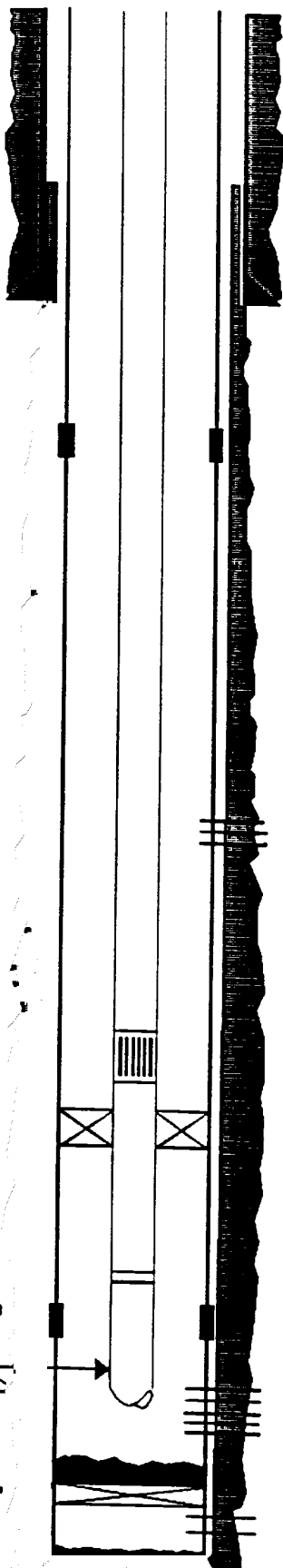
245 JTS 2-3/8" 4.7# EUE 8RD
J-55 TBG
(FHD @ 7737')

Top of Class 'B' CMT @ 7752'
Cast Iron Bridge Plug @ 7757'

PBTD = 7840'

TD = 7888'

5-1/2", 17# N-80 & J-55 @ 7886'
Stage #1 CMT'D w/ 630 sxs



B & R SERVICE, INC.

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

Company Unocal Lease Rincon Well 182-E
County Rio Arriba State N.Mex. Date 3-18-93
Shut-In _____ Zero Point K.B. Tbg. Pressure 1155
Casing Pressure _____ Tbg. Depth _____ Casing Perf. _____
Max. Temp. _____ Fluid Level 6000

<u>DEPTH</u>	<u>PSIG</u>	<u>GRADIENT</u>
0	1156	- - -
1000	1183	.027
2000	1219	.036
3000	1245	.026
4000	1271	.026
5000	1298	.027
6000	1323	.025
7000	1749	.426
7511	1964	.420
7611	2004	.400

FLUID LEVEL SURVEY

DATE:

AVERAGE TUBING LENGTH:
REMARKS:

RINCON UNIT NO. 182 E

After a 7 day SI period:

$$\text{Gallup BHP} = 1729 \text{ psi @ } 6924'$$

$$\text{Dakota BHP} = 2004 \text{ psi @ } 7611'$$

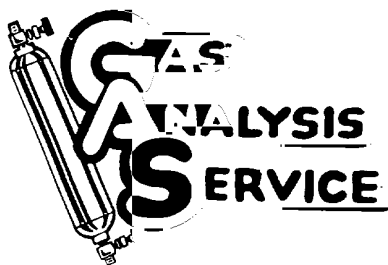
$$\text{Gas Gradient} = 0.026 \text{ psi/ft}$$

Adjusting to a common datum of 6924':

$$\text{Gallup BHP} = 1729 \text{ psi}$$

$$\text{Dakota BHP} = 2004 - [(0.026)(7611 - 6924)] = 1986 \text{ psi}$$

Therefore the reservoir pressures fall within the 50% requirement.



WELL ANALYSIS COMPARISON

LEASE: RINCON #182E

MARCH 29, 1993

DATE:	1/19/93	3/26/93
NO.:	30002	30004
	GL	DK
	MOLE %	MOLE %
NITROGEN	0.174	0.101
CO2	1.038	1.193
METHANE	88.920	88.022
ETHANE	6.381	6.153
PROPANE	1.979	2.188
I-BUTANE	0.353	0.551
N-BUTANE	0.520	0.717
I-PENTANE	0.216	0.410
N-PENTANE	0.146	0.245
HEXANE+	0.273	0.420
BTU'S	1123.3	1148.0
GPM	2.7828	3.0772
SPEC GRAV	0.6432	0.6608

RINCON UNIT NO. 182 E
ALLOCATION FORMULA

<u>GAS PRODUCTION:</u>	Gallup Rate	289 MCFD
	Dakota Rate	<u>517</u> MCFD
	Total Rate	<u>806</u> MCFD

Therefore,	Gallup	36%
	Dakota	64%

<u>OIL PRODUCTION:</u>	Gallup Rate	0 BOPD
	Dakota Rate	<u>0</u> BOPD
	Total Rate	<u>0</u> BOPD

Therefore,	Gallup	50%
	Dakota	50%

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



August 12, 1993

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 Undesignated Gallup and Basin Dakota formations in the following well:

Rincon Unit No. 182E
1690' FSL, 1500' FEL
Section 26, 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



August 12, 1993

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 Undesignated Gallup and Basin Dakota formations in the following well:

Rincon Unit No. 182E
1690' FSL, 1500' FEL
Section 26, 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



August 12, 1993

Farmington District

Caulkins Oil Company
310 North First
Bloomfield, New Mexico 87413

Dear Sirs:

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

Rincon Unit No. 182E
1690' FSL, 1500' FEL
Section 26, 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