

Unocal Oil & Gas Division
Unocal Corporation
913 West Broadway, P.O. Box 850
Bloomfield, New Mexico 87413
Telephone (505) 632-1811

UNOCAL 76

November 18, 1994

RECEIVED
NOV 22 1994

OIL CON. DIV.
DIST. 3

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

RE: Requested percentages for commingled MV/DK wells.

Dear Frank:

*RU-128M
RU-138E
RU-139E*

Unocal would like to request the following percentages on the approved commingling orders: Rincon Unit #128M, Order DHC-1042, Sec. 28-T27N-R6W, 25224 1175' FSL, 1185' FEL; Rincon Unit #138E, Order DHC-1044, Sec. 25-T27N-R7W, 25450 1735' FNL, 1725' FWL; Rincon Unit #139E, Order DHC-1041, Sec. 25-T27N-R7W, 25360 790' FNL, 790' FWL. All of the above wells have been completed in the Blanco Mesa Verde/Basin Dakota formations. A 24 hour test was ran on each zone prior to being shut-in after completion.

Your urgency with this matter would be very much appreciated. Thank You.

Sincerely,

Union Oil Company of California dba Unocal

R.L. Caine

R.L. Caine
Production Foreman

Attachment:

RLC/skl

RINCON UNIT PERCENTAGE REQUESTS

| WELL NAME NO. | DATE FORM. RAN | RATE MCF/D | FLOWING TBG. PRESS. | CHOKE SIZE | BOPD | WATER | RECOMMENDED GAS % | OIL % |
|-------------------|-------------------|---------------|------------------------|---------------|------|-------|----------------------|---------|
| RINCON UNIT 128 M | DK 10/21/94 | 120 | 60 | 40/64" | 0 | 5 | 41.00% | 50.00% |
| RINCON UNIT 128 M | MV 10/23/94 | 175 | 40 | 40/64" | 0 | 6 | 59.00% | 50.00% |
| RINCON UNIT 138 E | DK 11/07/94 | 220 | 60 | 48/64" | 1 | 5 | 63.00% | 100.00% |
| RINCON UNIT 138 E | MV 11/06/94 | 130 | 40 | 48/64" | 0 | 5 | 37.00% | 0.00% |
| RINCON UNIT 139 E | DK 10/27/94 | 490 | 130 | 48/64" | 4 | 8 | 67.00% | 100.00% |
| RINCON UNIT 139 E | MV 10/25/94 | 245 | 105 | 48/64" | 0 | 0 | 33.00% | 0.00% |

κ

From BLM

RECEIVED
OCT 12 1994
OIL CON. DIV.
DIST. 3

Rincon Unit (GC)
3162.3-2 (07327)

OCT 11 1994

Mr Bob Caine
UNOCAL Oil and Gas Division
UNOCAL Corporation
P. O. Box 850
Bloomfield, NM 87413

Dear Mr. Caine:

Union Oil Company of California (UNOCAL) submitted an application to downhole commingle production from the Dakota and Mesaverde formations for the following wells located in the Rincon Unit, Rio Arriba County, New Mexico:

| | | |
|----------------------|----------------------|----------------------------|
| No. 138E Rincon Unit | 790' FSL, 790' FEL | Sec. 25, T. 27 N., R. 7 W. |
| No. 133E Rincon Unit | 790' FNL, 445' FWL | Sec. 14, T. 27 N., R. 7 W. |
| No. 128M Rincon Unit | 1175' FSL, 1885' FEL | Sec. 28, T. 27 N., R. 6 W. |
| No. 139E Rincon Unit | 1980' FNL, 1980' FWL | Sec. 25, T. 27 N., R. 7 W. |
| No. 178E Rincon Unit | 1500' FSL, 1290' FEL | Sec. 23, T. 27 N., R. 7 W. |
| No. 131E Rincon Unit | 1145' FNL, 1525' FWL | Sec. 36, T. 27 N., R. 7 W. |
| No. 185E Rincon Unit | 2100' FSL, 1610' FEL | Sec. 22, T. 27 N., R. 7 W. |
| No. 149E Rincon Unit | 1900' FNL, 1365' FWL | Sec. 30, T. 27 N., R. 7 W. |

There was no data specific to the wells listed above submitted with the application. UNOCAL proposed to use allocation factors derived from average production, pressure, and BTU values for 22 previously approved commingling applications submitted to New Mexico Oil Conservation Division (NMOCD) and the Bureau of Land Management (BLM).

We have reviewed the data from the 22 previously submitted applications (which were approved on a well-by-well basis) and determined that factors affecting allocation are inconsistent, resulting in differences in allocation factors as high as 62% between wells. Your application to commingle based on averages from previously approved applications is hereby denied. You may re-submit your application based on data acquired through testing of the individual formations in each well.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order(s) described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions regarding our denial, please contact Ray Hager at (505) 599-6366 or Duane Spencer at (505) 599-6350.

Sincerely,

/s/ Duane Spencer

Duane Spencer
Chief, Branch of Reservoir Management

cc:
NMOCD, Santa Fe, NM
NMOCD, Aztec, NM
