

From BLM

Rincon Unit (GC)  
3162.3-2 (07327)

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. SF-080385
2. Name of Operator UNION OIL COMPANY OF CALIFORNIA	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P.O. Box 2620, Casper, WY 82602 (307) 234-1563 Ext. 116	7. If Unit or CA, Agreement Designation RINCON UNIT
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1450' FSL & 1450' FEL Sec. 23, T27N-R7W	8. Well Name and No. RINCON UNIT #178E
	9. API Well No. 30-039-25434
	10. Field and Pool, or Exploratory Area Basin Dakota/Blanco M.V.
	11. County or Parish, State Rio Arriba, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other <u>APD Extension</u>
	<input checked="" type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Rincon Unit No. 178E was permitted to drill and complete in 1994. The APD was approved June 29, 1994, but the well was not drilled. Union Oil Company plans to drill the well in the Summer/Fall of 1995 and requests a 3-month extension of the approved APD, from June 29 to September 29, 1995.

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OIL CON. DIV.  
DIST. 3

APPROVED

FEB 03 1995

DISTRICT MANAGER

DEC 29 1995

14. I hereby certify that the foregoing is true and correct

Signed

Sam Benson

Title Drilling Superintendent

Date 1-31-95

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Date

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See instruction on Reverse Side

NMOCD

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

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Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.

SF 080385

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

RINCON UNIT

8. Well Name and No.

RINCON UNIT 178E

9. API Well No.

30-039-25434

10. Field and Pool, or Exploratory Area

Basin Dakota/Blanco M.V.

11. County or Parish, State

Rio Arriba, NM

**SUBMIT IN TRIPLICATE**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

UNION OIL COMPANY OF CALIFORNIA

3. Address and Telephone No.

P.O. Box 2620, Casper, WY 82602 (307) 234-1563 Ext. 116

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1450' FSL & 1450' FEL

Sec. 23, T27N-R7W

**12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION

- ☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☒ Altering Casing  
☐ Other \_\_\_\_\_
- ☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Union Oil Company of California permitted the Rincon Unit #178E in 1994 (APD approved 6-29-94), as a Basin Dakota/Blanco Mesaverde well utilizing 8-5/8" surface casing, 5 1/2" production casing @ ±7810'-TD and completing with 1 string of 2-3/8" tubing.

Union plans to drill the No. 178E in 1995 and proposes to change the casing program to 9-5/8" surface casing, 7" production casing set @ ±7750'-TD and completing with 2 strings of 2-3/8" tubing (see attached casing & cementing program).

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FEB 08 1995

DISTRICT MANAGER

14. I hereby certify that the foregoing is true and correct

Signed Jim Benson

Title Drilling Superintendent

Date 1-31-95

(This space for Federal or State office use)

Approved by \_\_\_\_\_  
Conditions of approval, if any:

Title \_\_\_\_\_

Date \_\_\_\_\_

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See Instruction on Reverse Side

NMOCD

RINCON UNIT NO. 178E  
CASING PROGRAM

**Surface Casing - 9-5/8" @ 350' (Spud Mud)**

<u>Depth</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>	<u>New/Used</u>
0-350'	9-5/8"	32.3#	H-40	8RD-ST&C	New

Surface casing shall have centralizers on every joint starting at the shoe joint and ending on the last joint at surface.

**Production Casing - 7" @ 7750' (Mud Wt. ±9.2 ppg)**

<u>Depth</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>	<u>New/Used</u>
7750'-±5000'	7"	26#	K-55	8RD-LT&C	New
±5000'-Surface	7"	23#	K-55	8RD-LT&C	New

**Minimum Safety Factors**

Collapse	1.125
Tension:	1.8
Burst:	1.0

**Casing Testing**

All casing strings will be pressure tested to 0.22 psi/ft. or 1500 psi (whichever is greater) but not to exceed 70% of the minimum internal yield.

**Cementing Program**

**Surface Casing**            The surface casing will be cemented to surface to isolate any fresh water zones or gas zones w/±250 sxs Class "B" w/2% CaCl<sub>2</sub> and 1/4 #/sx Cello flakes. Volume includes a 100% excess with a slurry weight of 15.7 ppg and yield of 1.15 cu ft/sx. Cementing hardware to include guide shoe, insert float collar, and centralizers.

**Production Casing**       The production casing will be cemented in two stages using a D.V. tool at ±5200' (approximately 100' above Point Lookout formation). Actual cement volumes will be calculated based on caliper logs plus an excess of 35%.

1st Stage:            Lead - ±550 sx 50/50 "G" poz w/fluid loss additive, 2% gel, 6¼#/sx Gilsonite, 2#/sx magma fiber (mixed at 13.4 ppg, yield 1.34 cu ft/sx); Tail - 175 sx "G" w/fluid loss additives, 2#/sx magma fiber (mixed at 15.8 ppg, yield 1.15 cu ft/sx).

2nd Stage:            Lead ±400 sx 65/35 "G" poz w/12% gel, 3#/sx magma fiber (mixed at 11.5 ppg, yield 2.87 cu ft/sx); ±300 sx 50/50 "G" poz w/fluid

loss additive, 2% gel, 6½#/sx Gilsonite, 3#/sx magma  
fiber (mixed at 13.4 ppg, yield 1.34 cu ft/sx); Tail  
- 175 sx "G" w/fluid loss additives, 2#/sx magma  
fiber (mixed at 15.8 ppg, yield 1.15 cu ft/sx).

Casing hardware for production string to include guide shoe, insert float collar,  
centralized shoe joint and next five joints. Centralizers and turbalizers above and below  
stage tool, oil and gas zones as needed, and across Ojo Alamo formation.