OIL CONSERVE ON DIVISION RECEIVED

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NMSF-079364 (WC) 3162.3-2 (07327)

FEB 02 1001

Mr. Glen O. Papp Unocal Oil and Gas Division 3300 North Butler Avenue, Suite 200 Farmington, NM 87401

DHC 968

Dear Mr Papp:

Union Oil Company of California (UNOCAL) submitted an application for permission to downhole commingle production from the Dakota and Mesaverde formations from the following well:

> No. 128 Rincon Unit 1600' FSL, 990' FWL Sec. 28, T. 27 N., R. 6 W. Rio Arriba County, New Mexico

The referenced well was completed in June 1960 as a multiple completion in both the Mesaverde and Dakota formations. Reservoir conditions support downhole commingling of the two formations. Allocation factors submitted with the application were reviewed and found to be accurate.

GAS PRODUCTION 17% Mesaverde, 83% Dakota

OIL PRODUCTION 0% Mesaverde, 100% Dakota

Your Application to commingle is hereby approved as submitted effective January 7, 1994. Please follow New Mexico Oil Conservation Division (NMOCD) guidelines for reporting the allocated production on Form 3160.

If you have any questions regarding this approval, please contact Ray Hager at (505) 599-6366.

Sincerely,

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Is/ Duane Spencer

Duane W. Spencer Chief, Branch of Reservoir Management

cc: MMS, RMP, MS-3240, Denver, CO NMOCD, Santa Fe NMOCD, Aztec