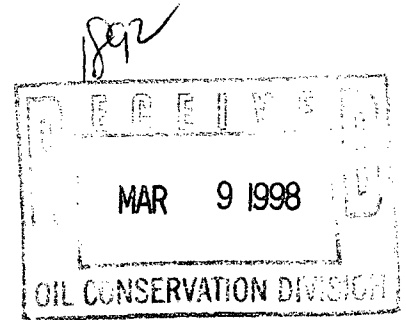




New Name. Same Spirit.
A Business Unit of Unocal

DHC 3/30/98



March 2, 1998

U.S. Department of the Interior
Bureau of Land Management
1235 La Plata Highway
Farmington, NM 87401

Commissioner of Public Lands
State of New Mexico
310 Old Santa Fe Trail
Santa Fe, NM 87504

New Mexico Oil Conservation Division
2040 S. Pacheco Street
Santa Fe, NM 87505
Cc: NMOCD, Aztec, NM

Gentlemen,

Union Oil Company of California (UNOCAL) requests approval to down hole commingle production from the Blanco Mesaverde and Basin Dakota formations in the following Rincon Unit well, Rio Arriba County, New Mexico.

<u>Well</u>	<u>Lease</u>	<u>Legal Location</u>
57	Federal	990' FNL, 990' FEL, NE Sec 1, T26N, R7W

As provided by Order No. R-9893, administrative approval may be granted without notice and hearing.

Form C-107-A with supporting data is attached.

If you have any questions please contact Heather Dahlgren at 915/685-7665.

Sincerely,

Spirit Energy 76
A Business Unit of UNOCAL

Heather Dahlgren
Engineering Technician

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

811 South First St., Artesia, NM 88210-2835

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410-1693

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429Form C-107-A
New 3-12-96

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator UNION OIL COMPANY OF CALIFORNIA (UNOCAL) Address 1004 N. BIG SPRING, MIDLAND TX 79702

Lease RINCON UNIT Well No. 57 Unit Ltr. - Sec - Twp - Rge A 1-26N-7W County RIO ARriba

OGRID NO. 023708 Property Code 011510 API NO. 30-039-06732 Spacing Unit Lease Types: (check 1 or more)
Federal ☒ State ☐ (and/or) Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	BLANCO MESAVERDE 72319		BASIN DAKOTA 71599
2. Top and Bottom of Pay Section (Perforations)	PROPOSED 5192 - 5350		7192 - 7361
3. Type of production (Oil or Gas)	GAS		GAS
4. Method of Production (Flowing or Artificial Lift)	FLOWING		FLOWING
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 278 psia b. (Original) 862 psia	a. b.	a. 884 psia b. 2798 psia
6. Oil Gravity (°API) or Gas BTU Content	1184 BTU		1168 BTU
7. Producing or Shut-In?	NEW COMPLETION		PRODUCING
Production Marginal? (yes or no)	YES		YES
* If Shut-In, give date and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	Date: Rates: SEE ATTACHED	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: 12-97 Rates: 98 mcfd, 0 bopd .3 bwpd
8. Fixed Percentage Allocation Formula - % for each zone	Oil: % Gas: %	Oil: % Gas: %	Oil: % Gas: %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, overriding, and royalty interests been notified by certified mail? R-9893 Yes ☐ No ☐
Have all offset operators been given written notice of the proposed downhole commingling? ☒ Yes ☐ No11. Will cross-flow occur? ☐ Yes ☒ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☐ Yes ☐ No (If No, attach explanation)12. Are all produced fluids from all commingled zones compatible with each other? ☒ Yes ☐ No13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☒ Yes ☐ No

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). SEE ATTACHED

16. ATTACHMENTS:

- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation method or formula.
- * Notification list of all offset operators.
- * Notification list of working, overriding, and royalty interests for uncommon interest cases.
- * Any additional statements, data, or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Heather Dahlgren TITLE Engineering Tech. DATE 3-3-98TYPE OR PRINT NAME HEATHER DAHLGREN TELEPHONE NO. (915) 685 7665

NMOCD Reference Cases for Rule 303(D) Exceptions

Unocal, Rincon Unit, Rio Arriba County, New Mexico

Rincon Unit Well	Legal Description	NMOCD Order No.	Issue Date
302	C S 11 T 26 N R 7 W	DHC-1050	11/3/94
134	B S 12 T 26 N R 7 W	DHC-1190	3/7/96
159M	F S 18 T 27 N R 6 W	DHC-904	6/18/93
174M	F S 19 T 27 N R 6 W	DHC-966	1/31/94
170	M S 20 T 27 N R 6 W	DHC-1192	3/7/96
170M	I S 20 T 27 N R 6 W	DHC-920	9/17/93
175M	F S 20 T 27 N R 6 W	DHC-864	11/24/92
171M	J S 21 T 27 N R 6 W	DHC-1101	3/7/95
180M	D S 21 T 27 N R 6 W	DHC-940	10/25/93
158M	J S 22 T 27 N R 6 W	DHC-909	4/27/93
125M	F S 26 T 27 N R 6 W	DHC-95	9/17/93
126M	P S 27 T 27 N R 6 W	DHC-914	9/17/93
127M	D S 28 T 27 N R 6 W	DHC-916	8/17/93
128M	O S 28 T 27 N R 6 W	DHC-1042	8/31/94
129M	P S 29 T 27 N R 6 W	DHC-903	6/18/93
1E	G S 30 T 27 N R 6 W	DHC-902	6/18/93
303	E S 33 T 27 N R 6 W	DHC-1086	2/3/95
186M	L S 33 T 27 N R 6 W	DHC-1176	12/21/95
167M	C S 13 T 27 N R 7 W	DHC-863	11/5/92
151M	O S 14 T 27 N R 7 W	DHC-918	9/17/93
133E	D S 14 T 27 N R 7 W	DHC-1043	8/31/94
184M	P S 15 T 27 N R 7 W	DHC-911	8/25/93
185E	J S 22 T 27 N R 7 W	DHC-1038	8/31/94
136E	D S 23 T 27 N R 7 W	DHC-912	9/17/93
178E	I S 23 T 27 N R 7 W	DHC-1040	8/31/94
138E	P S 25 T 27 N R 7 W	DHC-1044	8/31/94
139E	F S 25 T 27 N R 7 W	DHC-1041	8/31/94
203	M S 27 T 27 N R 7 W	DHC-1261	5/23/96
149M	F S 30 T 27 N R 7 W	DHC-1037	8/31/94
229E	M S 34 T 27 N R 7 W	DHC-1124	5/16/95
187E	P S 35 T 27 N R 7 W	DHC-1176	12/21/95
131E	C S 36 T 27 N R 7 W	DHC-1039	8/31/94
168E	I S 36 T 27 N R 7 W	DHC-1191	3/7/96
183	K S 31 T 27 N R 6 W	DHC-1376	10/16/96
168	A S 36 T 27 N R 7 W	DHC-1778	2/4/98
139	K S 25 T 27 N R 6 W	DHC-1777	2/4/98
181	G S 22 T 27 N R 6 W	DHC-1779	2/4/98
166E	F S 32 T 27 N R 6 W	DHC-1784	2/24/98

District I
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District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-06732		² Pool Code 72319		³ Pool Name BLANCO MESAVERDE	
⁴ Property Code 011510		⁴ Property Name RINCON UNIT			⁵ Well Number 57
⁷ OGRID No. 023708		⁶ Operator Name UNION OIL COMPANY OF CALIFORNIA (UNOCAL)			⁸ Elevation 6587'

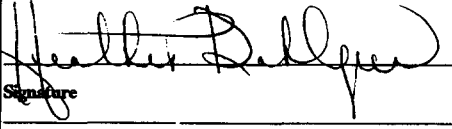
¹⁰ Surface Location

UL or lot no. A	Section 1	Township 26N	Range 7W	Lot Idn	Feet from the 990	North/South line N	Feet from the 990	East/West line E	County Rio Arriba
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320.20	¹³ Joint or Infill Y	¹⁴ Consolidation Code U		¹⁶ Order No. Unitization					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16					¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  Signature Printed Name HEATHER DAHLGREN Title ENGINEERING TECHNICIAN Date 2-27-98
					¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my</i> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-06732		² Pool Code 71599		³ Pool Name BASIN DAKOTA	
⁴ Property Code 011510		⁴ Property Name RINCON UNIT			⁵ Well Number 57
⁷ OGRID No. 023708		⁸ Operator Name UNION OIL COMPANY OF CALIFORNIA (UNOCAL)			⁹ Elevation 6587'

¹⁰ Surface Location

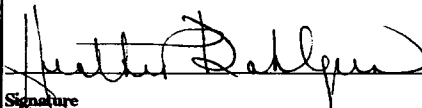
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	1	26N	7W		990	N	990	E	Rio Arriba

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320.20	¹³ Joint or Infill Y	¹⁴ Consolidation Code U	¹⁵ Order No. Unitization
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					¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my</i> _____ Date of Survey Signature and Seal of Professional Surveyor: _____ Certificate Number

March 2, 1998

Supplemental Data for C-107-A, Rincon Unit Well No. 57

Well History: The Rincon Unit Well No. 57 was drilled and completed as a Dakota gas producer in November 1957. Mesaverde reserves would be developed most economically at this time with a downhole commingled completion. An estimated completion date for the Mesaverde is late April or May 1998.

Production History: Current gas production is 98 Mcfd from the Dakota with trace oil and water production. An estimated initial rate for the first 30 days of Mesaverde production is 307 Mcfd and 4 Bopd. This estimate is an average based on actual IP's and production from six recent Mesaverde completions on the Rincon Unit. Please see attachments for this supporting data.

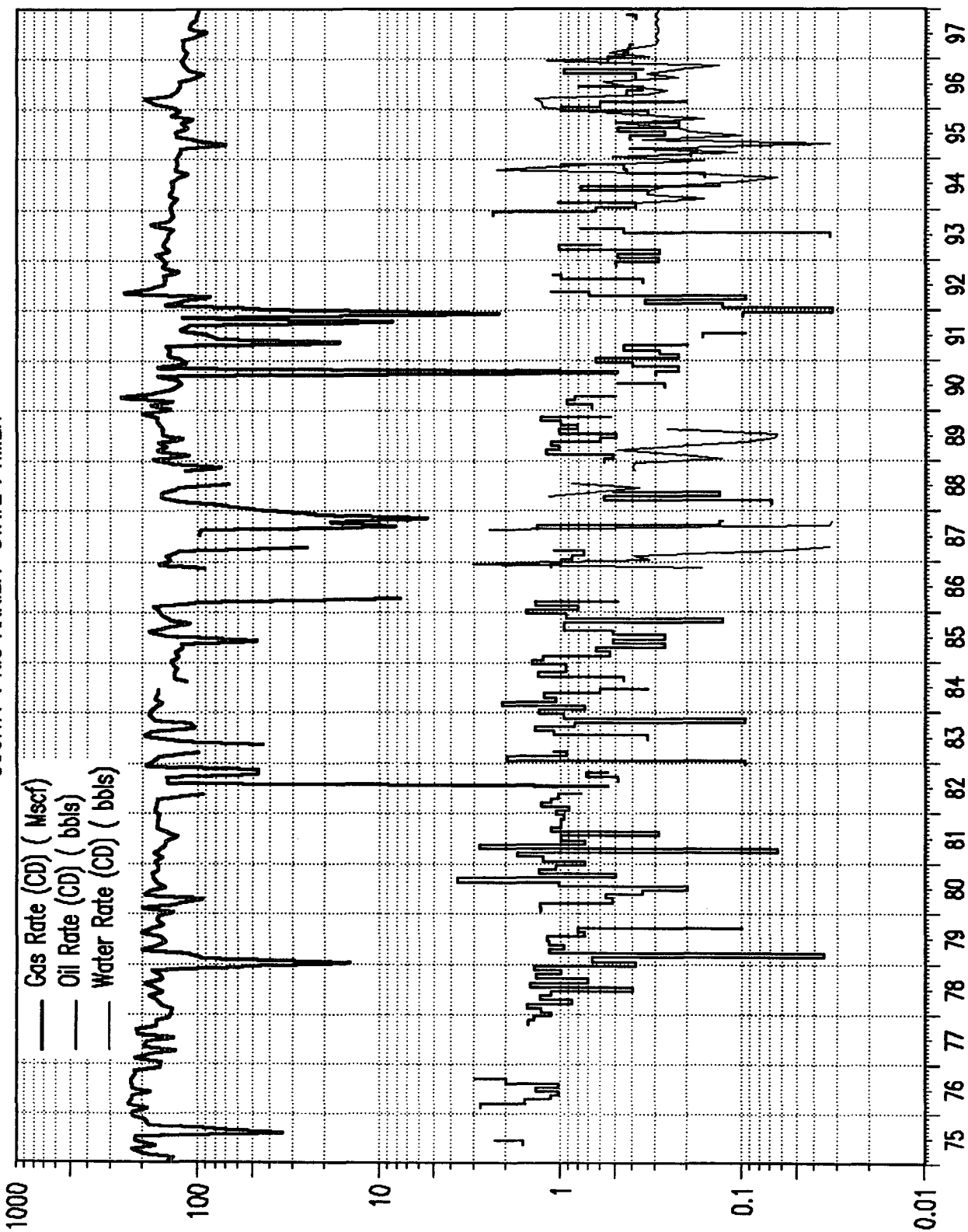
Pressure Data: Original and current bottom hole pressures were calculated from surface casing shut-in pressures. The Rincon Unit well #150E Mesaverde pressure data was used for the #57 Mesaverde. This well is a direct offset to the #57 and was recently completed in December 1995. Please see attachments for the bottom hole calculation, date and duration of these tests.

Allocation of Production: Unocal proposes to use an allocation based on an established Dakota annual decline rate of 7.9%. Dakota production will be extrapolated monthly using Bureau of Land Management recommended allocation methods with the remainder of the commingled production being allocated to the Mesaverde formation. Please see attachments for the Dakota forecast. Initial flush production volumes have been added to the Dakota due to the anticipated extended shut-in during the workover. While tabular data has been provided for the first five years of the Dakota forecast, we anticipate being able to convert to a fixed allocation factor within 12 to 24 months. Unocal also proposes to use a yield factor for allocating liquid production. This factor based on the average oil and water yield for 1997.

WELL: RINCON UNIT 57:DK

LOCATION : N026 W007 1 SWNE

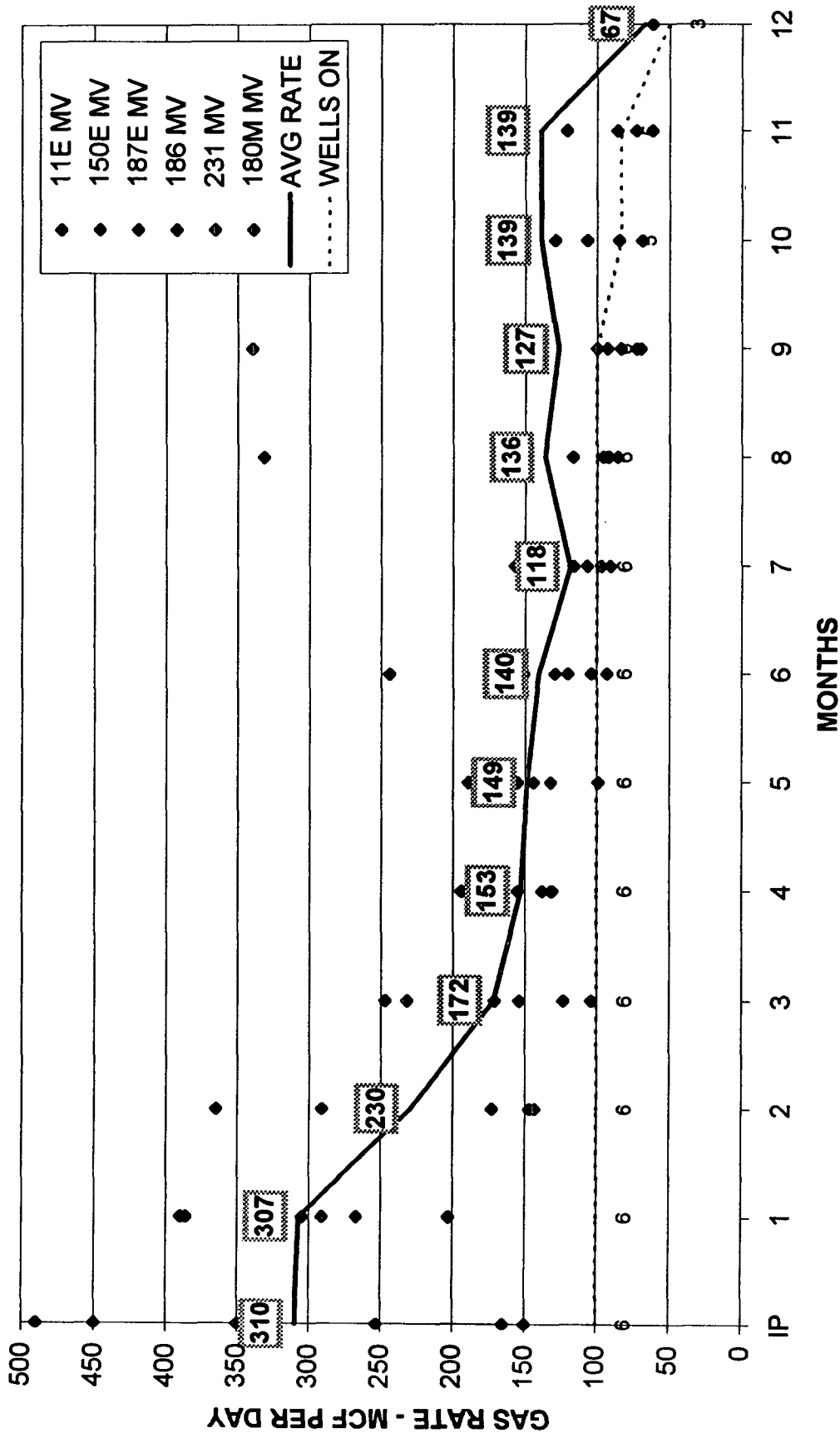
COUNTY : RIO ARriba STATE : NMEX



WELL: RINCON UNIT 57:DK
LOCATION : N026 W007 1 SWNE
COUNTY : RIO ARriba STATE : NMEX

DATE	DAYS ON PROD Days	OIL VOL PROD bbls	GAS VOL PROD Mscf	WATER VOL PROD bbls	OIL RATE (CD) bbls	GAS RATE (CD) Mscf	WATER RATE (CD) bbls	CUM OIL PROD bbls	CUM GAS PROD Mscf
9601	31	19	4172	39	0.6	135	1.3	11292	2141458
9602	29	6	5121	37	0.2	177	1.3	11298	2146579
9603	31	0	6015	43	0.0	194	1.4	11298	2152594
9604	30	13	4192	10	0.4	140	0.3	11311	2156786
9605	31	11	3983	8	0.4	128	0.3	11322	2160769
9606	30	24	3740	12	0.8	125	0.4	11346	2164509
9607	31	0	3913	18	0.0	126	0.6	11346	2168422
9608	31	12	3223	7	0.4	104	0.2	11358	2171645
9609	25	29	2778	10	1.0	93	0.3	11387	2174423
9610	31	11	3471	7	0.4	112	0.2	11398	2177894
9611	30	0	3547	4	0.0	118	0.1	11398	2181441
9612	31	17	3785	37	0.5	122	1.2	11415	2185226
9701	31	14	3598	10	0.5	116	0.3	11429	2188824
9702	28	12	3171	15	0.4	113	0.5	11441	2191995
9703	31	13	3690	13	0.4	119	0.4	11454	2195685
9704	30	12	3580	9	0.4	119	0.3	11466	2199265
9705	30	0	3736	9	0.0	121	0.3	11466	2203001
9706	30	0	3046	9	0.0	102	0.3	11466	2206047
9707	31	43	2778	9	1.4	90	0.3	11509	2208825
9708	31	0	3434	9	0.0	111	0.3	11509	2212259
9709	31	0	3256	9	0.0	109	0.3	11509	2215515
9710	31	12	3130	9	0.4	101	0.3	11521	2218645
9711	30	13	2999	9	0.4	100	0.3	11534	2221644
9712	30	0	3045	9	0.0	98	0.3	11534	2224689

RINCON MESAVERDE RECOMPLETIONS SEPARATELY METERED VOLUMES



RINCON MESAVERDE RECOMPLETIONS
MONTHLY GAS PRODUCTION DATA - SEPARATELY METERED VOLUMES

WELL:	11E	150E	187E	186	231	180M
ZONE:	MV	MV	MV	MV	MV	MV
COMPL:	DUAL	DUAL	DUAL	SINGLE	SINGLE	DHC*
1st Deliv:	04/01/97	12/18/95	01/31/96	12/27/96	01/10/97	10/29/92
IP (MCFD):	253	150	490	350	185	450

AVG IP	310	MIN IP	150	MAX IP	490
--------	-----	--------	-----	--------	-----

MONTH	IP	GAS VOLUME	PDGAS RATE	GAS VOLUME	PDGAS RATE	GAS VOLUME	PDGAS RATE	GAS VOLUME	PDGAS RATE	GAS VOLUME	PDGAS RATE	GAS VOLUME	PDGAS RATE	WELLS ON	AVG VOL	AVG RATE	MIN RATE	MAX RATE
			253		150		490		350		185		450	6		310		
1		9151	305	4291	390	8724	291	6283	203	8118	388	7207	267	6	7295	307	203	390
2		4288	143	7988	258	4544	147	4850	173	8140	291	7657	365	6	6245	230	143	365
3		3678	123	4969	171	2922	104	4769	154	7198	232	7652	247	6	5198	172	104	247
4		2631	138	4809	155	3296	132	3922	131	5828	194	4694	168	6	4197	153	131	194
5		3161	132	3883	155	2969	99	4332	144	5157	172	5852	189	6	4226	149	99	189
6		2488	104	4003	129	2882	93	3593	120	3685	244	4541	151	6	3529	140	93	244
7		2415	97	3493	116	2807	91	3134	157	4375	141	3329	107	6	3259	118	91	157
8		2243	93	2989	96	2293	92	3620	117	3655	332	2576	86	6	2896	136	92	332
9		1754	73	2885	93	2184	70	3089	100	3741	340	2608	84	6	2710	127	70	340
10				2672	107	2059	69	2957	129	3340	304	1951	85	5	2596	139		
11				2652	86	2259	73	2772	121	3893	354	1863	62	5	2888	139		
12				2396	80	1852	60					1936	62	3	2061	67		

* 180M MV produced for 12 months prior to DHC with DK

** Monthly volumes used to forecast first 12 months of Mesaverde production

1996 MV RECOMPLETION - EXAMPLE CASE FOR OIL FORECAST

WELL:	183
ZONE:	DK/MV
COMPL:	DHC
MV 1st Deliv:	12/20/96
MV IP (BOPD):	0.5

MONTH	OIL VOLUME	PDOIL RATE	WATER VOLUME	PDWAT RATE	AVG PDOIL	AVG PDWAT
1	16	0.5	17	0.5		
2	32	1.1	17	0.6		
3	26	0.8	23	0.7		
4	10	0.3	7	0.2		
5	25	0.8	17	0.5		
6	27	0.9	3	0.1		
7	22	0.7	2	0.1		
8	20	0.6	9	0.3		
9	8	0.3	3	0.1		
10	9	0.3	8	0.3		
11	4	0.7	3	0.5	0.6	0.4
12	0	0	0	0.0		
13	137	4.4	25	0.8		
14	43	1.5	33	1.2		
15	50	1.6	17	0.5		
16	44	1.5	20	0.7		
17	26	0.9	20	0.7		
18	0	0	20	0.7		
19	31	1	20	0.6		
20	24	0.8	20	0.6		
21	27	0.9	20	0.6	1.4	0.7

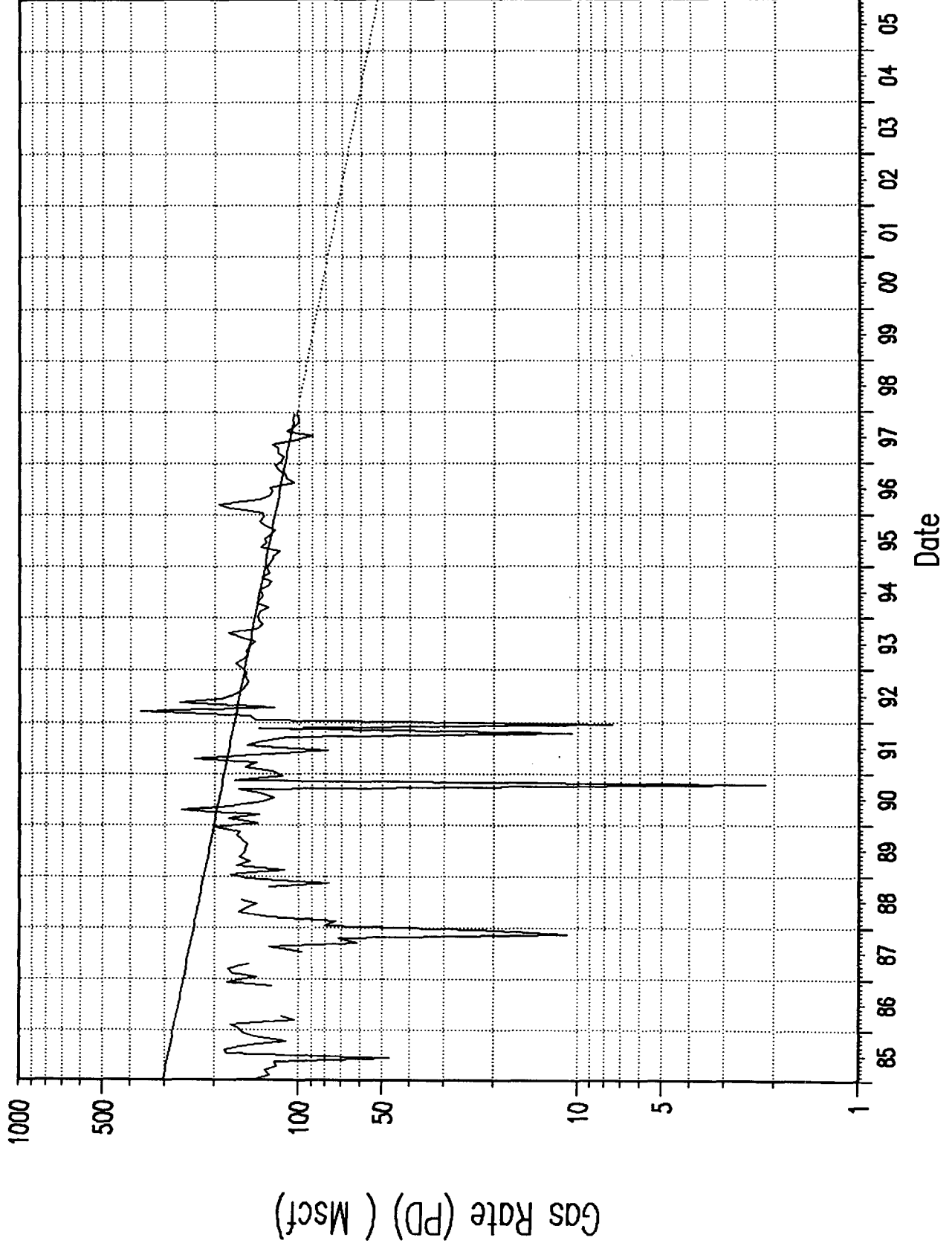
Dakota volumes prior to commingling

DK/MV commingle oil / water volumes

WELL: RINCON UNIT 57:DK

LOCATION : N026 W007 1 SWNE

COUNTY : RIO ARriba STATE : NMEX



RU 57DK Forecast

Well	RU 57
Existing Completion Prior to DHC	DK
Annual Decline	4.30%
Monthly Decline Factor (Annual / 12)	0.6642
Average 3 month volume (Mcf) prior to DHC	3058
Average Yield (bbbls/mcf) Oil	0.003
Average Yield (bbbls/mcf) Water	0.003
Volume Prior to DHC (Mcf)	

Full Months Prod Oct - Dec 97
97 annual average
97 annual average

* Forecasted volumes to be adjusted for actual days on production

Month	DK Forecast (Mcf)	DK Forecast (Bbls-Oil)	DK Forecast (Bbls-Water)	
1	3517	10.3	10.3	
2	3364	9.8	9.8	+ DK flush volume
3	3058	9.2	9.2	+ DK flush volume
4	3038	9.1	9.1	
5	3018	9.1	9.1	
6	2997	9.0	9.0	
7	2978	8.9	8.9	
8	2958	8.9	8.9	
9	2938	8.8	8.8	
10	2919	8.8	8.8	
11	2899	8.7	8.7	
12	2880	8.6	8.6	
13	2861	8.6	8.6	
14	2842	8.5	8.5	
15	2823	8.5	8.5	
16	2804	8.4	8.4	
17	2786	8.4	8.4	
18	2767	8.3	8.3	
19	2749	8.2	8.2	
20	2730	8.2	8.2	
21	2712	8.1	8.1	
22	2694	8.1	8.1	
23	2676	8.0	8.0	
24	2659	8.0	8.0	

WELL: RINCON UNIT 57:DK
 LOCATION : N026 W007 1 SWNE
 COUNTY : RIO ARriba STATE : NMEX

Cum. Gas Production: 2224689.00 Mscf
 Remaining Recoverable Gas Reserves: 304767.09 Mscf
 Ultimate Recoverable Gas Reserves: 2529456.09 Mscf

SCHEDULE 1

Qi: 681.02 Mscf
 Di: 0.006922
 Hyperbolic B: 0.0000
 Start Date: 1998/01
 Monthly Nominal Decline (Dn): 0.006922
 Monthly Effective Decline (De): 0.006898
 Yearly Effective Decline (De): 0.079709
 Initial Forecast Rate: 101.50 Mscf
 Economic Limit: 32.13 Mscf
 Cumulative Produced: 2224689.00 Mscf
 Total Forecasted Reserves: 304767.09 Mscf
 Total Recovered Reserves: 2529456.09 Mscf

DATE	AVERAGE DAILY RATE Mscf	MONTHLY FORECAST PROD. Mscf	CUM. PROD. Mscf	REMAINING RECOV. RESERVES Mscf
1998/04	99.07	2971.98	2236701.50	292754.72
1998/05	98.38	3049.86	2239751.25	289704.84
1998/06	97.70	2931.11	2242682.25	286773.72
1998/07	97.03	3007.94	2245690.25	283765.78
1998/08	96.36	2987.17	2248677.50	280778.63
1998/09	95.70	2870.90	2251548.25	277907.72
1998/10	95.04	2946.10	2254494.50	274961.63
1998/11	94.38	2831.42	2257326.00	272130.22
1998/12	93.73	2905.61	2260231.50	269224.59
1999/01	93.08	2885.59	2263117.00	266339.00
1999/02	92.44	2588.31	2265705.50	263750.69
1999/03	91.80	2845.92	2268551.25	260904.78
1999/04	91.17	2735.07	2271286.50	258169.72
1999/05	90.54	2806.76	2274093.25	255362.95
1999/06	89.92	2697.51	2276790.75	252665.45
1999/07	89.30	2768.15	2279558.75	249897.30
1999/08	88.68	2749.09	2282308.00	247148.22
1999/09	88.07	2642.05	2284950.00	244506.16
1999/10	87.46	2711.30	2287661.25	241794.86
1999/11	86.86	2605.72	2290267.00	239189.14
1999/12	86.26	2673.98	2292941.00	236515.16
2000/01	85.66	2655.57	2295596.50	233859.59
2000/02	85.07	2467.11	2298063.50	231392.47
2000/03	84.49	2619.05	2300682.75	228773.44
2000/04	83.90	2517.06	2303199.75	226256.38
2000/05	83.32	2583.03	2305782.75	223673.34
2000/06	82.75	2482.48	2308265.25	221190.84
2000/07	82.18	2547.53	2310812.75	218643.31

2000/08

81.61

2529.94 2313342.75 216113.38

DATE	AVERAGE DAILY RATE Mscf	MONTHLY FORECAST PROD. Mscf	CUM. PROD. Mscf	REMAINING RECOV. RESERVES Mscf
2000/09	81.05	2431.46	2315774.25	213681.92
2000/10	80.49	2495.19	2318269.25	211186.73
2000/11	79.93	2398.00	2320667.25	208788.73
2000/12	79.38	2460.88	2323128.25	206327.84
2001/01	78.83	2443.87	2325572.00	203883.98
2001/02	78.29	2192.15	2327764.25	201691.84
2001/03	77.75	2410.31	2330174.50	199281.53
2001/04	77.21	2316.43	2332491.00	196965.09
2001/05	76.68	2377.17	2334868.25	194587.92
2001/06	76.15	2284.59	2337152.75	192303.34
2001/07	75.63	2344.48	2339497.25	189958.86
2001/08	75.11	2328.28	2341825.50	187630.58
2001/09	74.59	2237.63	2344063.25	185392.95
2001/10	74.07	2296.30	2346359.50	183096.66
2001/11	73.56	2206.88	2348566.25	180889.78
2001/12	73.05	2264.70	2350831.00	178625.08
2002/01	72.55	2249.12	2353080.25	176375.97
2002/02	72.05	2017.41	2355097.50	174358.55
2002/03	71.55	2218.16	2357315.75	172140.39
2002/04	71.06	2131.83	2359447.50	170008.56
2002/05	70.57	2187.64	2361635.25	167820.92
2002/06	70.08	2102.50	2363737.75	165718.42
2002/07	69.60	2157.61	2365895.25	163560.81
2002/08	69.12	2142.70	2368038.00	161418.11
2002/09	68.64	2059.28	2370097.25	159358.83
2002/10	68.17	2113.23	2372210.50	157245.59
2002/11	67.70	2030.97	2374241.50	155214.63
2002/12	67.23	2084.19	2376325.75	153130.44
2003/01	66.77	2069.84	2378395.50	151060.59
2003/02	66.31	1856.59	2380252.00	149204.00
2003/03	65.85	2041.38	2382293.50	147162.63

--BHPCALC--

Calculated BHP and Z-factor from surface shut-in pressure

TEST DATE: 07/29/97

WELL NAME : Rincon Unit 57 DK (Current Pressure)

GAS GRAVITY: 0.68 % N2 0.28
CONDENSATE (YES=1): 1 % CO2 1.18 %
RESERVOIR TEMP: 186 F % H2S 0.00 %
SURFACE TEMP: 60 F Pc = 670.93 %
DEPTH OF ZONE: 7277 Foot Tc = 376.72

SURFACE PRES	BHP	Z	BHP/Z
psia	psia		psia
740	884	0.9249	956

Current pressure obtained after 5 day shut-in.

--BHPCALC--

Calculated BHP and Z-factor from surface shut-in pressure

TEST DATE: 11/11/57

WELL NAME : Rincon Unit 57 DK (Original Pressure)

GAS GRAVITY: 0.68 % N2 0.28
CONDENSATE (YES=1): 1 % CO2 1.18 %
RESERVOIR TEMP: 186 F % H2S 0.00 %
SURFACE TEMP: 60 F Pc = 670.93 %
DEPTH OF ZONE: 7277 Foot Tc = 376.72

SURFACE PRES	BHP	Z	BHP/Z
psia	psia		psia
2288	2,798	0.8768	3,191

Original pressure obtained after 11 day shut-in following completion.

--BHPCALC--

Calculated BHP and Z-factor from surface shut-in pressure

TEST DATE: 07/29/97

WELL NAME : Rincon Unit 150E MV (Current Pressure)

GAS GRAVITY: 0.69 % N2 0.28
CONDENSATE (YES=1): 1 % CO2 1.10 %
RESERVOIR TEMP: 145 F % H2S 0.00 %
SURFACE TEMP: 60 F Pc = 670.05 %
DEPTH OF ZONE: 5346 Foot Tc = 378.61

SURFACE PRES	BHP	Z	BHP/Z
psia	psia		psia
245	278	0.9671	288

Current pressure of direct MV offset, obtained after 5 day shut-in.

--BHPCALC--

Calculated BHP and Z-factor from surface shut-in pressure

TEST DATE: 11/03/95

WELL NAME : Rincon Unit 150E MV (Original Press.)

GAS GRAVITY: 0.69 % N2 0.28
CONDENSATE (YES=1): 1 % CO2 1.10 %
RESERVOIR TEMP: 145 F % H2S 0.00 %
SURFACE TEMP: 60 F PC = 670.05 %
DEPTH OF ZONE: 5346 Foot TC = 378.61

SURFACE PRES	BHP	Z	BHP/Z
psia	psia		psia
750	862	0.9038	954

Original pressure of direct MV offset, obtained after 14 hr.
shut-in following stimulation treatment and initial flowback.

SPIRIT ENERGY 76

New Name. Same Spirit.
A Business Unit of Unocal

March 2, 1998

Caulkins Oil Co.
P.O. Box 340
Bloomfield, NM 87413

Gentlemen:

Union Oil Company of California (UNOCAL) has requested from the State of New Mexico Oil Conservation Division, approval to down hole commingle production from the Blanco Mesaverde and Basin Dakota formations in the following Rincon Unit well, Rio Arriba County, New Mexico.

Well	Legal Location
57	Federal 990' FNL, 990' FEL, NE Sec 1, T26N, R7W

If Caulkins Oil Co., as an offset operator, has an objection to this proposal, please notify NMOCD within twenty days. If you have any questions regarding this application, please contact Tom Baier at 915/685-6836.

Sincerely,

Spirit Energy 76
A Business Unit of UNOCAL



Thomas E. Baier
Petroleum Engineer