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

**UNOCAL**®

November 13, 1995

New Mexico Oil Conservation Division Attn: William J. LeMay 2040 S. Pacheco Santa Fe, New Mexico 87505

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RE: Request for NSL Order on Rincon Unit #131E

Dear Mr. LeMay:

Union Oil Company of California dba Unocal originally staked and permitted the Rincon Unit #131E as a Basin Dakota/Blanco Mesa Verde well located 1145' FNL and 1525' FWL, Sec. 36, T27N, R7W, Rio Arriba County, New Mexico (state APD approved 4/6/94, APD extension and casing design change approved 1/31/95). This approved location offset the existing Rincon Unit #10, a Pictured Cliffs completion that was scheduled and permitted to be Plug and Abandoned.

Upon further evaluation Unocal proposed to move the permitted location to 1850' FNL and 790' FWL. Sec. 36, T27N, R7W to be able to further test the potential and if warranted to include the completion of the South Blanco Pictured Cliffs formation into the original "Dakota/Mesa Verde" completion. This new proposed location was still within the boundaries of a standard "Dakota/Mesa Verde/Pictured Cliffs" location. During the attempt to stake the well at 1850' FNL and 790' FWL it was found that due to topographical reasons (an existing Arroyo to the north and east) also an existing high pressure El Paso Natural Gas lateral line (which would run through the proposed new reserve pit and pad area) the drill pad could not be built at this new proposed location. The location was moved 135' to the south and 32' to the east to avoid these natural and man-made obstacles and was staked at 1985' FNL and 822' FWL. Sec. 32, T27N, R7W, which does not conform to a standard location.

A sundry notice requesting approval to move the existing location to the newly staked location and include the Pictured Cliffs formation into the completion of the well along with a request for approval of a non-standard location was filed 5/30/95 and approved 6/5/95 (attached).

Unocal mistakenly assumed that the approved sundry notice dated 6/5/95 gave approval for 1) moving of the existing #131E location to the proposed new location, 2) including the completion of the Pictured Cliffs formation and 3) a non-standard location for well #131E. Recently we have learned that we do not have approval for a non-standard location for this well.

Union Oil Company of California dba Unocal would like to request approval of a non-standard location for the Rincon Unit #131E, located 1985' FNL and 822' FWL. Sec. 36, T27N. R7W. Rio Arriba County. New Mexico. This existing location does not conform to a standard location being 135' too far south and cannot be moved to the north because of an existing natural arroyo to the north and east. in conjunction with the El Paso Natural Gas line to the north (see attached pad layout and topography). Also, Unocal is the sole off-set lease owner/operator.

Rincon Unit #131E has been drilled, completed and tested as a "Dakota/Mesa Verde/Pictured Cliffs" well with all of the applicable sundries and the C-104s submitted. For these reasons Unocal requests your earliest consideration of this matter.

If you should have any questions please do not hesitate to call Sandy Liese at (505)632-1811 Ext. 18. Thank you.

Sincerely,

Union Oil Company of California dba Unocal

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Jim Benson Drilling Superintendent

Attachments:

CC: Frank Chavez, NMOCD

JB/sl

Subruit 3 Copies to Appropriate District Office	State of Ne Energy, Minerals and Natu		Form C-103 Revised 1-1-89
DISTRICT I P.O. Box 1980, Hobbs, NM 88240	OIL CONSERVA P.O. Bo	x 2088 /	WELL API NO. 30-039-25368
DISTRICT II P.O. Drawer DD, Artesia, NM 88210	Santa Fe, New Mexico 87504-2088		5. Indicate Type of Lesse STATE FEE
DISTRICT III 1000 Rio Brazos Rd., Azzec, NM 87410			6. State Oil & Gas Lease No.
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"		7. Lease Name or Unit Agreement Name	
(FOHM C 1. Type of Well: OE. GAS WELL X	-101) FOR SUCH PROPOSALS	.)	RINCON UNIT
2 Name of Operator UNION OIL COMPANY OF	<u></u>	· · · · · · · · · · · · · · · · · · ·	8. Well No. 131E
3. Address of Operator			9. Pool name or Wildcat
P.O. Box 2620, Casper	r, WY 82602 (307)	234-1563 Ext. 116	Basin Dak/Blanco MV/So.Blanco P.C.
	5 Feet From The North	Line and822	Foot From The West Line
Section 36	Township 27N	Range 7W	NMPM Rio Arriba County
	10. Elevation (Show w	whether DF. RKB. RT. GR. etc.)	
II. Check NOTICE OF IN	** *	cate Nature of Notice, R	eport, or Other Data SEQUENT REPORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANDON		
	PLUG AND ABANDON CHANGE PLANS	REMEDIAL WORK           X         COMMENCE DRILLING	
TEMPORARILY ABANDON	CHANGE PLANS		
PULL OR ALTER CASING  OTHER: Location Change 12. Describe Proposed or Completed Oper	CHANGE PLANS	X     COMMENCE DRILLING       CASING TEST AND CI       OTHER:	
TEMPORARILY ABANDON	CHANGE PLANS	X     COMMENCE DRILLING       CASING TEST AND CI       OTHER:	
TEMPORARILY ABANDON	CHANGE PLANS	X     COMMENCE DRILLING       CASING TEST AND CI       OTHER:	
TEMPORARILY ABANDON	CHANGE PLANS	X     COMMENCE DRILLING       CASING TEST AND CI       OTHER:	

I hereby certify that the information above is true and complete to the best of my in	movindes and belief. TITLE Drilling Superintendent 5-30-95
TYPE OR FRINT NAME	TELEPHONE NO.
(This space for State Use)	DEPUTY OIL & GAS INSPECTOR, DIST. #3

## 12. Proposed or Completed Operations:

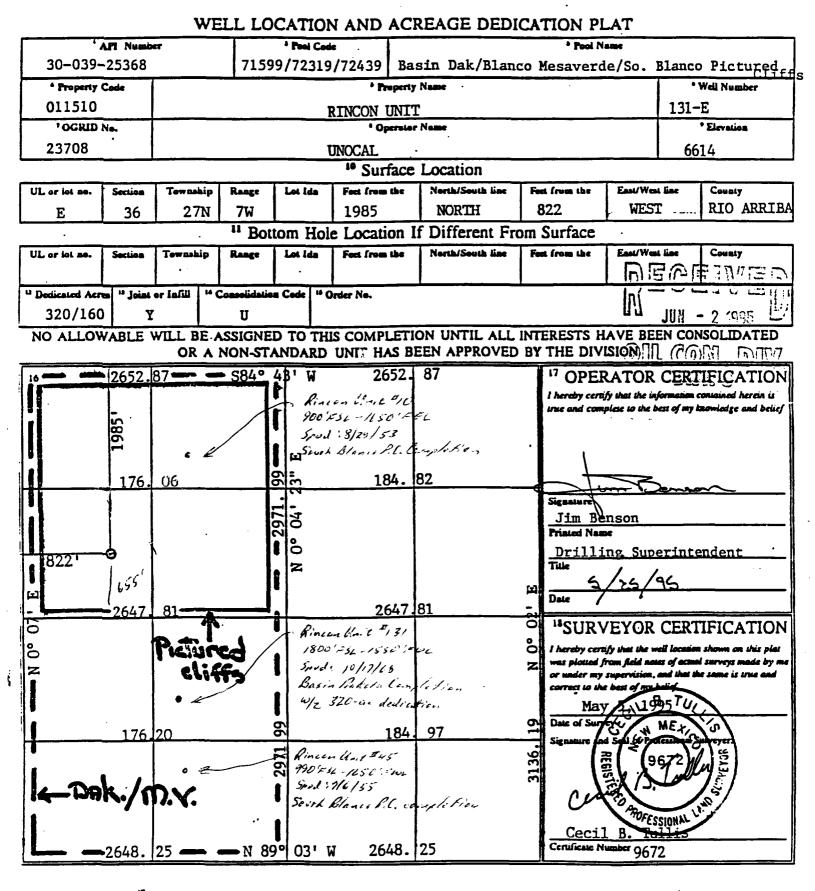
Rincon Unit #131E was originally staked @ 1145' FNL & 1525' FWL, Section 36, T27N-R7W, Rio Arriba Co., NM, and permitted (State APD approved 4-6-94, APD extension and casing design change approved 1-31-95) as a Basin Dakota/Blanco Mesaverde well. 4

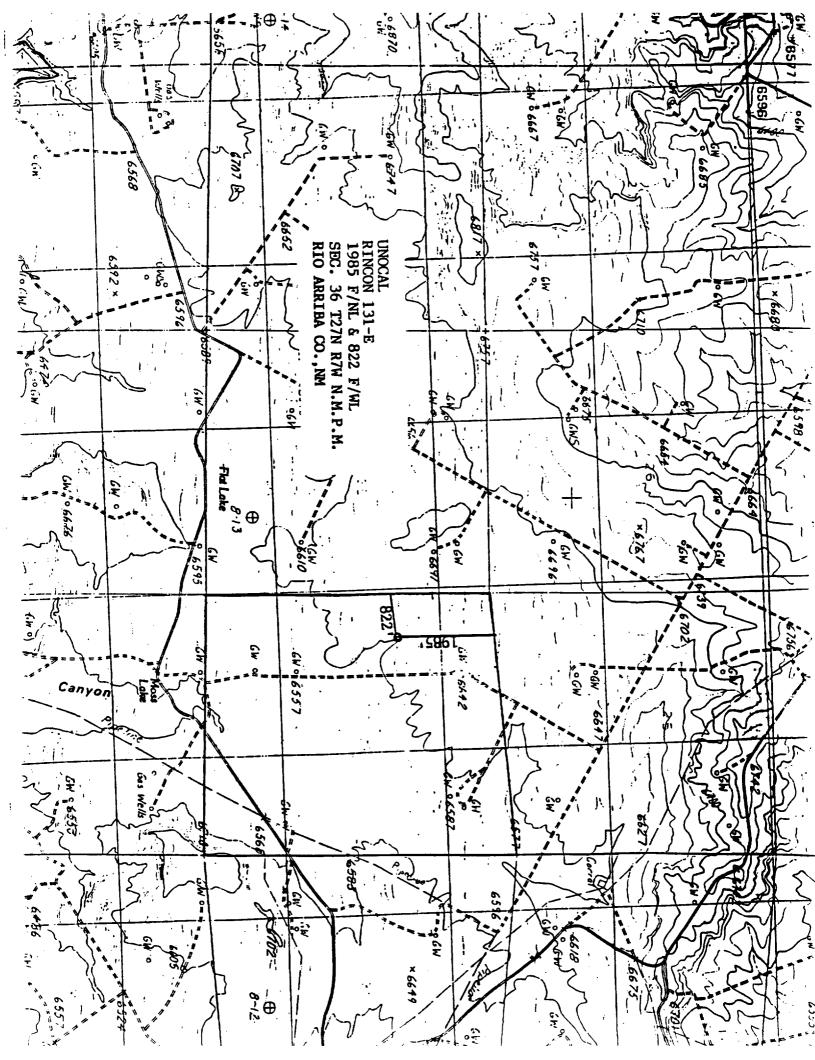
Unocal requests approval to move the existing Rincon Unit 131E location to 1985' FNL, 822' FWL, Sec. 36, T27N-R7W and complete as a Basin Dakota/Blanco Mesaverde/South Blanco Pictured Cliffs well. Unocal wishes to move the location to take advantage of more favorable sub-surface geological structures; i.e. incorporate the Pictured Cliffs formation into the overall completion of the well. There is only one existing Pictured Cliffs well in the same 1/4 section (Rincon #10), and it is presently shut in and scheduled for P&A later this year.

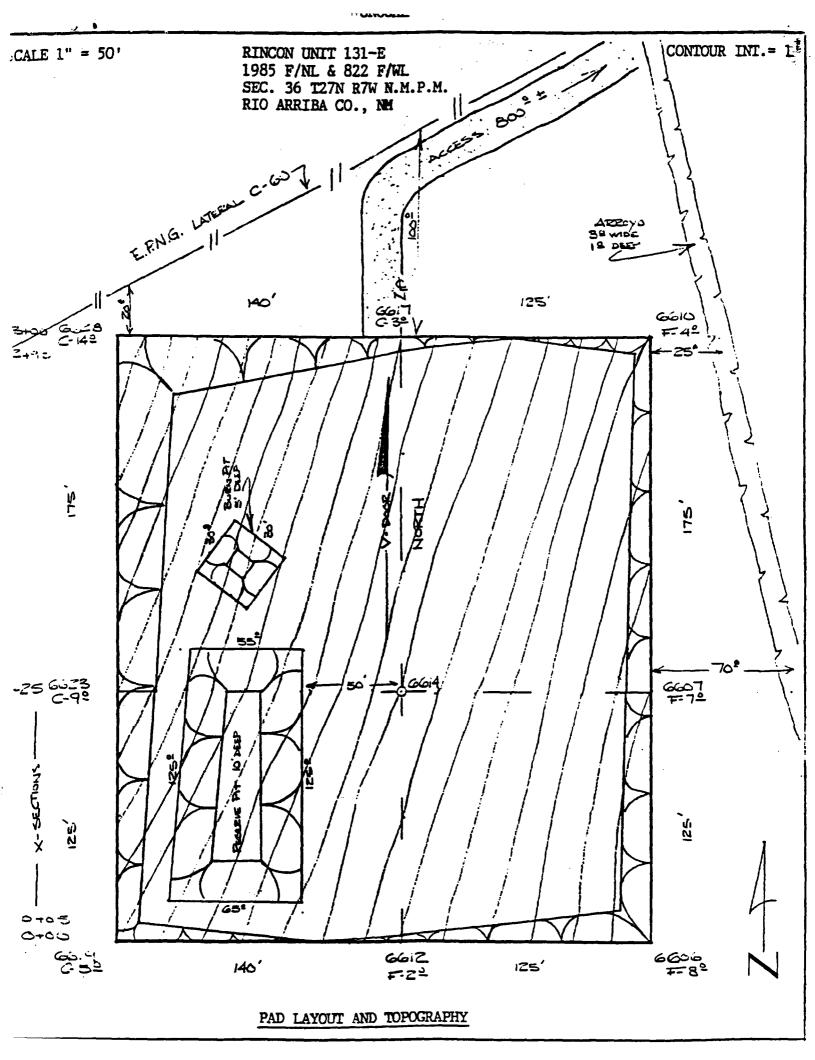
Unocal also requests approval of a non-standard location for the proposed Rincon Unit 131E. The proposed location does not conform to a standard (Dak./M.V./P.C.) location being approximately 135' too far South. The proposed location cannot be moved to the North due to an existing El Paso Natural Gas lateral line and an existing Arroyo (see attached Pad Layout and topography). Unocal is the sole off-set lease cwner/operator.

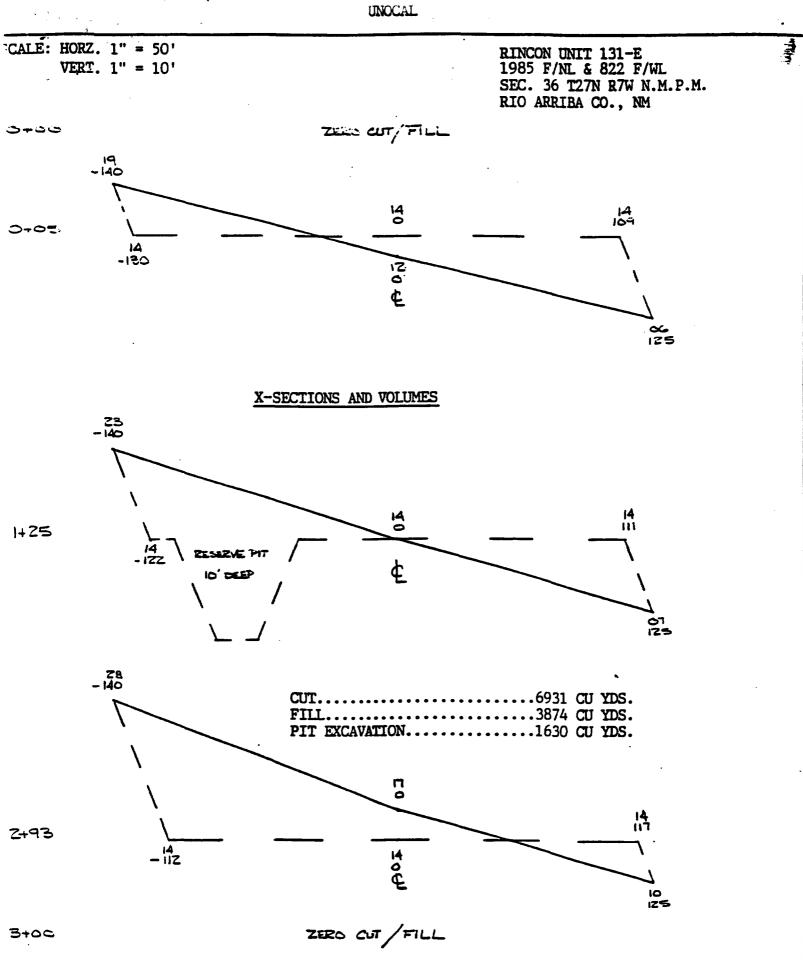
There will be no changes to the existing approved Drilling/ Completion plan (approved Jan 31, 1995.) PC Haz 1950, Hobbs, NM 88241-1980 Pistrict II \* PO Drawer DD, Artenia, NM 88211-0719 District !II 1000 Rio Brazes Rd., Aztec, NM 87410 District IV PO Box 2088, Santa Fe, NM 87504-2088 Energy, Miserrais & Natural Resources Department" OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088 M M Revised February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT









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