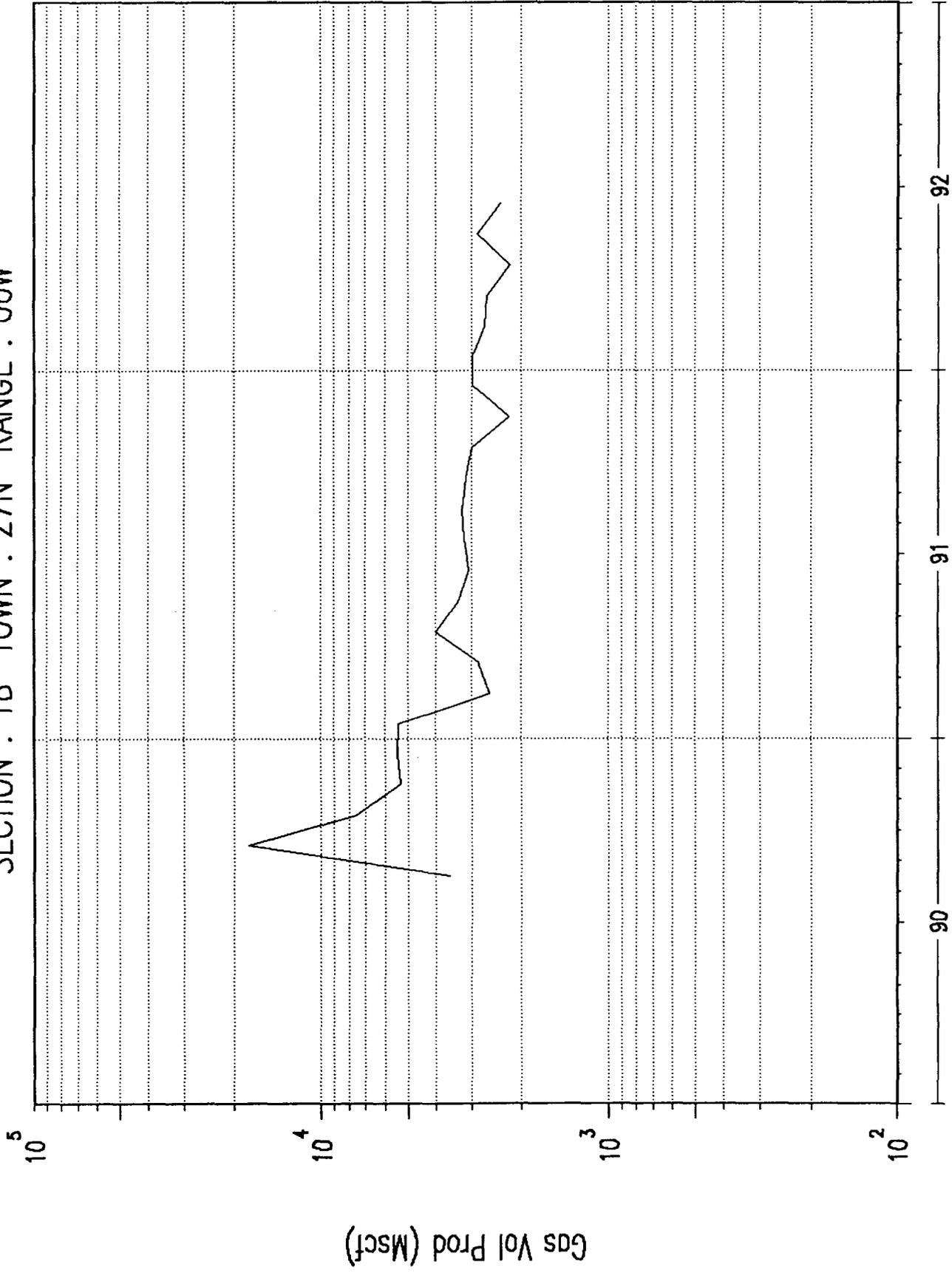


WELL: RINCON UNIT 252:FC
COUNTY : RIO ARRIBA STATE : NM
SECTION : 18 TOWN : 27N RANGE : 06W



RINCON UNIT
 PAYING WELL DETERMINATION
 PARTICIPATING AREA APPLICATION
 FRUITLAND COAL
 WELL # 252

DATE : 08/18/92
 TIME : 08:44:26
 DBS FILE : RESMGMT
 SETUP FILE : FEDERAL
 SEQ NUMBER : 649

INPUT DATA

CALCULATED DATA

ITEM	SCHEDULING RATES			SCHEDULE UNTIL		PROCEDURE		ULTIMATE	LAST	EFF. DECL	INIT. RATE	FINAL RATE
401 START	09/90											
406 GAS	29577.00	X	M/M	06/2000	AD	H/2.005	99.99	484.594	5/00	99.99	29577.	2213.
411 "	943.90	250.00	M/M	X	YRS	EXP	5.00	646.977	4/26	5.00	944.	250.
416 PRI/GAS	1.14	1.14	\$/M	TO	LIFE	FLAT	.00		4/26		1.140	1.140
421 OPC/T	250.00	250.00	\$/M	TO	LIFE	FLAT	.00		4/26		250.000	250.000
426 NET/WI	87.50	87.50	%	TO	LIFE	FLAT	.00		4/26		.875	.875
436 NET/NIC	87.50	87.50	%	TO	LIFE	FLAT	.00		4/26		.875	.875
446 NET/NIG	87.50	87.50	%	TO	LIFE	FLAT	.00		4/26		.875	.875
501 STX/OIL	3.75	3.75	%	TO	LIFE	PC	0		8/90		.037	.037
502 STX/GAS	3.94	3.94	%	TO	LIFE	PC	.00		8/90		.039	.039
503 ATX	5.46	5.46	%	TO	LIFE	PC	.00		8/90		.055	.055

INVESTMENT	TANGIBLES & INTANGIBLES		TIME	PROCEDURE	TOTAL T&I	MONTH	RISK INV.	TOT. T&I&R	ESC. T&I&R
801 COMPL	222.56	.00	M&N	09/90 AD	222.556	9/90	.	222.5	222.5

RESERVE PARAMETERS	ITEM	ITEM
201 LOSS	NO	
203 CUMD, MB	.00	CUMG, MMF 3.58
		CUML, MB

PROJECT ASSUMPTIONS

BASE DATE : 9/90 P.W. DATE : 9/90 REPORT DATE : 9/90
 QUALIFIERS - PROD : OWNER : OTHER :

RINCON UNIT
 PAYING WELL DETERMINATION
 PARTICIPATING AREA APPLICATION
 FRUITLAND COAL
 WELL # 252

DATE : 08/18/92
 TIME : 08:44:26
 DBS FILE : RESMGMT
 SETUP FILE : FEDERAL
 SEQ NUMBER : 649

RESERVES AND ECONOMICS

AS OF DATE: 9/90

-END- MO-YR	GROSS PRODUCTION MB	OIL GROSS PRODUCTION MMF	GAS OIL INTEREST MB	TO NET INTEREST MMF	GAS TO NET INTEREST MMF	--GROSS PRICES-- OIL \$/B	GAS \$/M	REVENUE INTEREST M\$	TO NET EXPENSES M\$	OPER NET INVESTMENT M\$	TOTAL NET INCOME BEFORE FIT M\$	CUMULATIVE NET INCOME M\$	CUM NET INCOME M\$	DISC NET INCOME M\$
8-91	.000	130.497	.000	114.185	.00	1.140	125.042	9.452	222.556	-106.967	-106.967	-110.507		
8-92	.000	66.332	.000	58.041	.00	1.140	63.559	6.095	.000	57.464	-49.503	-59.408		
8-93	.000	51.262	.000	44.854	.00	1.140	49.119	5.307	.000	43.812	-5.690	-23.475		
8-94	.000	43.347	.000	37.928	.00	1.140	41.535	4.893	.000	36.642	30.952	4.257		
8-95	.000	38.256	.000	33.474	.00	1.140	36.656	4.626	.000	32.030	62.982	26.630		
8-96	.000	34.625	.000	30.297	.00	1.140	33.178	4.437	.000	28.742	91.723	45.161		
8-97	.000	31.868	.000	27.884	.00	1.140	30.536	4.292	.000	26.243	117.967	60.780		
8-98	.000	29.681	.000	25.971	.00	1.140	28.440	4.178	.000	24.262	142.229	74.108		
8-99	.000	27.891	.000	24.404	.00	1.140	26.725	4.084	.000	22.641	164.869	85.590		
8-00	.000	22.734	.000	19.893	.00	1.140	21.784	3.814	.000	17.970	182.839	94.049		
8-01	.000	10.901	.000	9.538	.00	1.140	10.445	3.195	.000	7.250	190.089	97.182		
8-02	.000	10.357	.000	9.062	.00	1.140	9.924	3.167	.000	6.757	196.846	99.878		
8-03	.000	9.840	.000	8.610	.00	1.140	9.428	3.140	.000	6.288	203.134	102.194		
8-04	.000	9.348	.000	8.180	.00	1.140	8.957	3.114	.000	5.843	208.978	104.181		
8-05	.000	8.881	.000	7.771	.00	1.140	8.510	3.090	.000	5.421	214.398	105.882		
S TOT	.000	525.819	.000	460.092	.00	1.140	503.839	66.885	222.556	214.398	214.398	105.882		
AFTER	.000	110.359	.000	96.564	.00	1.140	105.746	60.024	.000	45.722	260.120	114.700		
TOTAL	.000	636.178	.000	556.656	.00	1.140	609.584	126.908	222.556	260.120	260.120	114.700		

	OIL	GAS		P.W. %	P.W., M\$
GROSS WELLS	.0	1.0	LIFE, YRS.	5.00	157.871
GROSS ULT., MB & MMF	.000	639.757	DISCOUNT %	10.00	97.357
GROSS CUM., MB & MMF	.000	.000	UNDISCOUNTED PAYOUT, YRS.	15.00	57.104
GROSS RES., MB & MMF	.000	636.178	DISCOUNTED PAYOUT, YRS.	20.00	28.224
NET RES., MB & MMF	.000	556.656	UNDISCOUNTED NET/INVEST.	25.00	6.411
NET REVENUE, M\$.000	634.588	DISCOUNTED NET/INVEST.	30.00	-10.688
INITIAL PRICE, \$.000	1.140	RATE-OF-RETURN, PCT.	40.00	-35.846
INITIAL N.I., PCT.	00.000	87.500	INITIAL W.I., PCT.	60.00	-66.719
				80.00	-85.190
				100.00	-97.652



JIM BACA
COMMISSIONER

State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

August 25, 1992

Unocal Corporation
3300 North Butler Avenue, Suite 200
Farmington, New Mexico 87401

Attn: Mr. William L. Irwin

Re: Initial Basin Fruitland Coal Gas Participating Area
Rincon Unit
Rio Arriba County, New Mexico

This office is in receipt of your application of March 19, 1992 for the Initial Basin Fruitland Coal A, B, and C Participating Areas for the Rincon Unit, Rio Arriba County, New Mexico. These participating areas are predicated upon the completion of the Rincon Unit Well Nos. 240, 242 and 239.

The Bureau of Land Management has advised this office by their letter of June 18, 1992, that it has been determined that the Unit Well Nos. 240, 242 and 239 are not capable of producing unitized substances in paying quantities and your application has been denied.

Please be advised that the Commissioner of Public Lands concurs with the Bureau of Land Management's decision that the above wells are non-commercial and should be produced on a lease basis.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Jamie Bailey for FOP*
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
JB/FOP/pm
cc: Reader File
OCD-Santa Fe
BLM-Farmington

**Unocal North American
Oil & Gas Division**
Unocal Corporation
3300 North Butler Avenue
Suite 200
Farmington, New Mexico 87401
Telephone (505) 326-7600
Fax: (505) 326-6145

OIL CONSERVATION DIVISION
RECEIVED

'92 AUG 17 PM 9 13



August 14, 1992

Farmington District

Oil Conservation Division
State of New Mexico
P.O. Box 2088
Santa Fe, NM 87504-2088

RE: **Revision**
1992 Plan of Development
Rincon Unit
Rio Arriba County, New Mexico

Gentlemen:

The 1992 Plan of Development submitted by Union Oil Company of California (UNOCAL) in February of this year proposed the drilling and completion of 28 infill development gas wells within the Rincon Unit. Because of acreage dedication, some well names have been changed in order to meet State naming conventions. Also, due to initial encouraging results, all wells are now slated to be dual completions.

Please find attached the revised list of 1992 proposed wells. If there are any questions, please contact Dana Delventhal at (505)326-7600.

Sincerely,

Union Oil Company of California
dba UNOCAL

A handwritten signature in black ink, appearing to read "WLI".

William L. Irwin
District Petroleum Engineer

Attachment

WLI/DLD/df

1992 Proposed Wells

<u>Well Name</u>	<u>Formation</u>	<u>Location</u>
Rincon Unit No. 159M	Mesaverde/Dakota	NW Sec. 18, T27N, R6W
57E	Gallup/Dakota	SE Sec. 1, T26N, R7W
130E	Gallup/Dakota	SE Sec. 32, T27N, R6W
168E	Gallup/Dakota	SE Sec. 36, T27N, R7W
135E	Gallup/Dakota	NW Sec. 29, T27N, R6W
108E	Gallup/Dakota	SE Sec. 19, T27N, R6W
182E	Gallup/Dakota	SE Sec. 26, T27N, R6W
171M	Mesaverde/Dakota	SE Sec. 21, T27N, R6W
125M	Mesaverde/Dakota	NW Sec. 26, T27N, R6W
180M	Mesaverde/Dakota	NW Sec. 21, T27N, R6W
174M	Mesaverde/Dakota	NW Sec. 19, T27N, R6W
158M	Mesaverde/Dakota	SE Sec. 22, T27N, R6W
201E	Gallup/Dakota	SE Sec. 2, T26N, R7W
166E	Pictured Cliffs/Dakota	NW Sec. 32, T27N, R6W
126M	Mesaverde/Dakota	SE Sec. 27, T27N, R6W
175M	Mesaverde/Dakota	NW Sec. 20, T27N, R6W
127M	Mesaverde/Dakota	NW Sec. 28, T27N, R6W
1E	Mesaverde/Dakota	NE Sec. 30, T27N, R6W
129M	Mesaverde/Dakota	SE Sec. 29, T27N, R6W
137M	Mesaverde/Dakota	SE Sec. 24, T27N, R7W
170M	Mesaverde/Dakota	SE Sec. 20, T27N, R6W
167M	Mesaverde/Dakota	NW Sec. 13, T27N, R7W
128M	Mesaverde/Dakota	SE Sec. 28, T27N, R6W
136E	Mesaverde/Dakota	NW Sec. 23, T27N, R7W
151M	Mesaverde/Dakota	SE Sec. 14, T27N, R7W
133E	Mesaverde/Dakota	NW Sec. 14, T27N, R7W
184M	Mesaverde/Dakota	SE Sec. 15, T27N, R7W
177E	Gallup/Dakota	SE Sec. 13, T27N, R7W



JIM BACA
COMMISSIONER

State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

May 5, 1992

Unocal Oil and Gas Division
3300 North Butler Avenue, Suite 200
Farmington, New Mexico 87401

Attention: Mr. Paul West

Re: Application for the 3rd Expansion to the Blanco South Tocito
Participating Area, Gallup Formation, Rincon Unit, Rio Arriba
County, New Mexico

Dear Mr. West:

This office is in receipt of your letter of December 14, 1990
together with two copies of the application for approval for the
Third Expansion to the Blanco South Tocito Participating Area in the
Rincon Unit, Rio Arriba County, New Mexico.

The Bureau of Land Management by their letter of October 9, 1991,
approved this participating area effective September 22, 1980.

Please be advised that the Commissioner of Public Lands concurs with
the Bureau of Land Management's decision and has this date also
approved the above mentioned Participating Area.

Please advise all interested parties of this action.

If you have any questions, or if we can be of further help, please
contact Pete Martinez at (505) 827-5791.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
JB/FOP/pm
encls.

cc: Reader File
BLM
OCD
TRD

Unocal North American
Oil & Gas Division
Unocal Corporation
3300 North Butler Avenue
Suite 200
Farmington, New Mexico 87401
Telephone (505) 326-7600
Fax: (505) 326-6145



March 19, 1992

Farmington District

Oil Conservation Division
New Mexico Department of Energy and Minerals
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Re: Initial Basin Fruitland Coal Gas
Participating Area Applications

Gentlemen:

Enclosed please find a letter from the Bureau of Land Management dated February 12, 1992 requesting revision of the initial Fruitland Coal participating area applications.

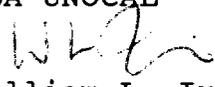
In response to this request, Union Oil Company of California, as operator of the Rincon Unit, has filed applications for Basin Fruitland Coal Participating Area "A", "B" and "C", along with the original supporting documentation for each of the three wells, Rincon Unit 240, 242, and 239.

The revised initial Basin Fruitland Coal participating areas are as follows:

Participating Area "A": W/2 Section 21, T27N, R6W (Well No. 240)
Participating Area "B": S/2 Section 23, T27N, R6W (Well No. 242)
Participating Area "C": S/2 Section 18, T27N, R6W (Well No. 239)

This revision is unchanged from what you previously received with the exception of the nomenclature, and a separation of these initial areas pending complete expansion of the Fruitland Coal participating areas in the Rincon Unit.

Very Truly Yours,
Union Oil Company of California
DBA UNOCAL


William L. Irwin
District Petroleum Engineer



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Farmington Resource Area
1235 Laplata Highway
Farmington, New Mexico 87401

IN REPLY REFER TO:
Rincon Unit (GC)
3180 (019)

FEB. 12 1992

Union Oil Company of California
Attention: Mr. Mike Nixon
P.O. Box 3100
Midland, TX 79702

Dear Mr. Nixon:

As you discussed with Duane Spencer of this office, we are returning all your participating area applications for the Fruitland Coal in the Rincon Unit for revision.

As was discussed, the Rincon Unit Agreement states that initial participating area (PA) are established, effective the first date of sales. However, the language for the effective date of revisions is similar to that found in the model form of unit agreement. BLM interprets this language to mean that revisions are effective as of the completion date of the well. Your applications did not follow this format.

As was also discussed, separate initial PA's should be set up unless the lands to be included are abutting. These separate PA's can then be combined through revisions if necessary.

We appreciate your cooperation in this matter. We apologize for the lengthy delays in processing these applications. Please feel free to call Duane Spencer at (505) 599-8950 if you have any questions.

Sincerely,

John Phillips
Acting Area Manager

4 Enclosures

- 1 - Initial PA
- 2 - 1st Revision
- 3 - 2nd Revision
- 4 - 3rd Revision

**Unocal North American
Oil & Gas Division**
Unocal Corporation
3300 North Butler Avenue
Suite 200
Farmington, New Mexico 87401
Telephone (505) 326-7600
Fax: (505) 326-6145



March 16, 1992

Farmington District

Bureau of Land Management
Minerals Division
1235 La Plata Hwy
Farmington, New Mexico 87401
Attn: Duane Spencer
Chief of Reservoir Management

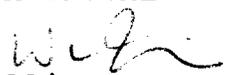
Re: Application for the Initial
Basin Fruitland Coal Gas
Participating Area "A"
Rincon Unit, Rio Arriba County,
New Mexico

Gentlemen:

Enclosed please find two copies of the Application for Approval for the Initial Basin Fruitland Coal Gas Participating Area "A" in the Rincon Unit, Rio Arriba County, New Mexico. Enclosed also are geologic and engineering data in support of this application.

Union Oil Company of California, as operator of the Rincon Unit, respectfully requests your approval of this application.

Very Truly Yours,
Union Oil Company of California
DBA UNOCAL


William L. Irwin
District Petroleum Engineer

xc: Commissioner of Public Lands
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

Oil Conservation Division
New Mexico Department of Energy & Minerals
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

APPLICATION FOR THE INITIAL BASIN FRUITLAND COAL GAS PARTICIPATING
AREA - "A" - RINCON UNIT - RIO ARRIBA COUNTY, NEW MEXICO

Duane Spencer
Chief of Reservoir Management
Bureau of Land Management - Minerals Division
1235 La Plata Highway
Farmington, New Mexico 87401

Union Oil Company of California, as unit operator of the Rincon Unit, respectfully submits for your approval the following described lands to constitute the initial participating area "A" for the Basin Fruitland Coal Gas producing formation, to wit:

TOWNSHIP 27 NORTH, RANGE 6 WEST, N.M.P.M.

Section 21: West/2

Containing 320 acres, more or less

In support of this application, and in addition to the geologic and engineering reports, the following are attached:

- 1) Structure Top - Basin Fruitland Coal Gas Formation
- 2) Basin Fruitland Coal Gas Formation Gross Isopach
- 3) Type Log
- 4) Land Map - Rincon Unit
- 5) Rincon Unit #240 Fruitland Coal Gas Production Decline Curve
- 6) Rincon Unit #240 Fruitland Coal Gas Economics
- 7) Schedule of Lands and Working Interest Ownership in the initial Basin Fruitland Coal Gas participating area "A" (Participation Allocation Formula)
- 8) Applicant's Statement and Affidavit

This application is predicated on nine months of actual production history from the Rincon Unit #240 well which first delivered on November 13, 1989.

Applicant respectfully requests your approval of the hereinabove selection of lands to constitute the Initial Basin Fruitland Coal Gas Formation Participating Area "A", to be effective November 13, 1989.

Dated this 16th day of March, 1992.



William L. Irwin
District Petroleum Engineer
Union Oil Company of California

Well Summary

Well Name: Rincon Unit #240
Location: 1500'FSL, 1750'FWL, Sec 21, T27N, R6W
Elevation: 6611' GL
Total Depth: 3312'
Lease Number: SF-079366
Pool/Formation: Basin Fruitland Coal Gas
Spud Date: 8-1-89
Completion Date: 9-7-89
1st Delivery Date: 11-13-89
Perf'd Interval: 3128-3131, 3136-3141, 3145-3150, 3157-3160,
3162-3170, 3172-3175, 3180-3196

Geologic Summary

The Fruitland Formation was deposited in a coastal plain environment landward of the Pictured Cliffs strandline. It consists of shales, siltstones, sandstones and coal. The coals were deposited in low-lying areas such as lagoons, swamps and bayous behind the barrier islands, bars, and beaches of the Pictured Cliffs sandstone. The coal is best developed in the basal Fruitland, and extends aerially over the entire basin with the exception of a small region on the eastern margin. Net coal varies from 20 to 80 feet thick with the thickest sections being in the north-central part of the basin. The Rincon Unit coals range in thickness from 30 to 70 feet and in some areas of the unit are split into an upper and a basal coal zone. The coal itself is considered High Volatile C Bituminous in rank. Regional dip is 1 to 2 degrees to the northeast, and structure does not appear to be a factor in natural gas entrapment anywhere in the area of the unit.

Engineering Summary

The Rincon Unit #240 was drilled and completed by Union Oil Company of California as a Basin Fruitland Coal Gas producer in 1989. Surface pipe measuring 9-5/8" was set at 235 feet and cemented with 175 sacks to surface. Production casing measuring 5-1/2" was then set at 3312 feet and cemented in two stages to surface with 830 sacks cement. After drilling out to PBTD of 3302', the coal zones were perforated from 3128' to 3196' with 4 shots per foot and fracture stimulated with 25,370# 100 mesh, 177,830# 20/40 sand, and 85,260 gallons cross-linked gel water. The recorded initial potential and 24 hour shut-in pressure were 85 MCFD / 4 BWPD and 30 psi, respectively. The well was first delivered to the El Paso Natural Gas pipeline system on November 13, 1989. The current deliverability for the well against a 150# line pressure is 60 MCFD.

Volumetrics calculated on the below-listed parameters yields a recoverable gas volume of 0.80 Bcf.

Net Pay: 63 ft
Drainage area: 160 acres
Gas Content: 218 SCF/ton
Tonnage Factor: 2024 tons/acre-feet (from density log)
Recovery Factor: 18 %

Economics

Completion Cost: \$523,734
Royalty Burden: 17.50%
Gas Price: \$2.40/MCF with tax credit, 1.50/MCF after yr 2000
Operating Cost: \$250/month
Production Rate: Maximum - 256 MCFD, Current (10/90) - 60 MCFD,
No associated water production

Economics based on the above are attached. Given the investment cost to complete this well payout should occur in 55 years. Compared with gross income after royalty (GAR) this Basin Fruitland Coal Gas well produces in economic quantities above operating costs.

STATE OF NEW MEXICO

COUNTY OF SAN JUAN

APPLICANT'S STATEMENT AND AFFIDAVIT

BEFORE ME, the undersigned authority on this day personally appeared William L. Irwin, District Petroleum Engineer, known to me to be the person whose name is subscribed to this instrument, who, having been by me first duly sworn, upon oath states as follows:

- 1) That this Statement and Affidavit is made concerning this application for the initial Basin Fruitland Coal Gas participating area "A" in the Rincon Unit, in the W/2 Section 21, T27N-R6W, comprising 320.00 acres.
- 2) That to the best of his information, knowledge and belief, the information supplied is true.
- 3) That notice of this application has been mailed or delivered to the Rincon Unit working interest owners in accordance with the unit agreement and the unit operating agreement.
- 4) That he certifies that the information and data contained in the application are true and correct and that all copies of records or summaries of such records relied upon in the application are true, correct and authentic copies of documents on file in the offices of Union Oil Company of California (Unocal).
- 5) That he is of lawful age, that he is a responsible official of Unocal, that he is duly authorized to make this Statement and Affidavit on behalf of Unocal, that he has knowledge of the facts contained herein, that this Statement and Affidavit is true and correct, and that he adopts the allegations herein as his sworn statement.

SUBSCRIBED AND SWORN TO before me, this undersigned authority, on this day of March 16th 1992.

Melissa Ordoñez
Notary Public in and for
San Juan County, New Mexico

My Commission Expires:

7/11/96

**SCHEDULE OF LANDS AND WORKING INTEREST OWNERSHIP IN
INITIAL BASIN FRUITLAND COAL PARTICIPATING AREA "A"**

RINCON UNIT

Tract No. 1 (Unit Tract No. 15)
(Acreage in Unit Tract: 959.40 ac.)

LESSOR: U.S.A.
SERIAL NO.: SF-079366

ACREAGE DESCRIPTION: Township 27 North, Range 6 West
Section 21: SW/4

WORKING INTEREST OWNER(S): Union Oil Company of California - 83.33%
Meridian Oil, Inc., as Agent - 16.67%

ACREAGE INCLUDED IN INITIAL
EXPANSION TO PARTICIPATING AREA: 160.00 acres

PERCENTAGE OF FRUITLAND COAL
FORMATION PRODUCTION ALLOCATED
TO THIS TRACT: 50.00000%

Tract No. 2 (Unit Tract No. 15A)
(Acreage in Unit Tract: 1599.32 ac.)

LESSOR: U.S.A.
SERIAL NO.: SF-079366

ACREAGE DESCRIPTION: Township 27 North, Range 6 West
Section 21: NW/4

WORKING INTEREST OWNER(S): Union Oil Company of California - 83.33%
Meridian Oil, Inc., as Agent - 16.67%

ACREAGE INCLUDED IN INITIAL
PARTICIPATING AREA: 160.00 acres

PERCENTAGE OF FRUITLAND COAL
FORMATION PRODUCTION ALLOCATED
TO THIS TRACT: 50.00000%

**SUMMARY OF LANDS INCLUDED IN THE
INITIAL BASIN FRUITLAND COAL PARTICIPATING AREA "A"**

RINCON UNIT

<u>LEASE</u>	<u>UNIT TRACT NO.</u>	<u>ACREAGE</u>	<u>PERCENTAGE</u>
U.S.A. SF-079366	15	160.00	50.00000%
U.S.A. SF-079366	15A	160.00	50.00000%
		<hr/>	<hr/>
		320.00	100.00000%

**SUMMARY OF WORKING INTEREST OWNERSHIP IN
INITIAL BASIN FRUITLAND COAL PARTICIPATING AREA "A"**

RINCON UNIT

<u>WORKING INTEREST OWNER</u>	<u>WORKING INTEREST PERCENTAGE</u>
Union Oil Company of California	76.82091%
Wiser Oil Company	2.54378%
H. R. Stasney & Sons Company	1.30259%
Meridian Oil Inc., as Agent	10.59527%
Meridian Oil Inc., Individually	1.55217%
Jones Company, Ltd.	1.30259%
Conoco, Inc.	2.29005%
Amoco Production Company	2.29004%
Beryl B. McMahan	0.65130%
Beryl B. McMahan, Trustee of the Thomas V. McMahan Trust	0.32565%
Beryl B. McMahan, Trustee of the Gwin M. Lewis Trust	0.32565%
TOTAL	100.00000%