

District I - (505) 393-6161
1625 N. French Dr
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Zirc, NM 87410
District IV - (505) 827-7131

New Mexico

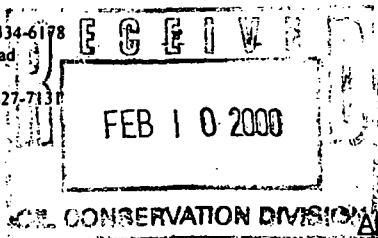
Energy Minerals and Natural Resources Department

Oil Conservation Division

2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

1630 Form C-142
Date 06/99

SUBMIT ORIGINAL
PLUS 2 COPIES
TO THE SANTA FE
OFFICE



OIL CONSERVATION DIVISION APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address Union Oil Company of California P. O. Box 671-----Midland, TX 79702						OGRID Number 23708		
Contact Party Ted Paul						Phone (915) 685-6889		
Property Name Rincon Unit				Well Number 158R		API Number 30-039-26207		
UL K	Section 22	Township 27N	Range 6W	Feet From The 2425	North/South Line south	Feet From The 2425	East/West Line west	County Rio Arriba

II. Date/Time Information

Spud Date 10-26-99	Spud Time 7:00pm	Date Completed 1-7-00	Pool Basin Dakota/Blanco Mesa Verde (DHC)
-----------------------	---------------------	--------------------------	--

- III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.
- IV. Attach a list of all working interest owners with their percentage interests.
- V. AFFIDAVIT:

State of Texas)

SS.

County of Midland)

Ted Paul, being first duly sworn, upon oath states:

1. I am the Operator, or authorized representative of the Operator, of the above-referenced well.
2. To the best of my knowledge, this application is complete and correct.

Signature Ted Paul Title Sr. Production Engineer Date 2-4-00

SUBSCRIBED AND SWORN TO before me this 9th day of February, 2000



PHYLLIS NIXON
NOTARY PUBLIC
State of Texas

Phyllis Nixon
Notary Public

My Commission Expires: Comm. Exp. 06-07-2001

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>Mark Kelly</u>	Title <u>P.E. Spec.</u>	<u>MAR 07 2000</u>
--------------------------------	----------------------------	--------------------

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 3/7/00

NOTICE: The operator must notify all working interest owners of this New Well certification.

PV2V2010850707

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-105
Revised 1-1-89

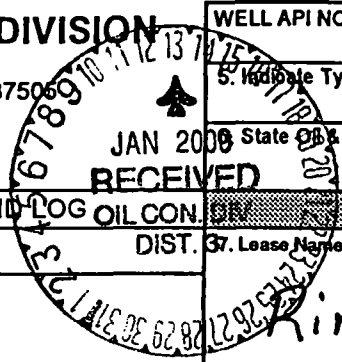
OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87506

WELL API NO. 30-039-26207

5. Lease Type of Lease STATE ☐ FEE ☒

6. State Oil & Gas Lease No.



37. Lease Name or Unit Agreement Name

Rincon Unit

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐

b. Type of Completion: NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF RESVR ☐ OTHER ☐

2. Name of Operator Union Oil Company of California

8. Well No. 158R

3. Address of Operator P. O. Box 671 - Midland, TX 79702

9. Pool name or Wildcat Basin Dakota

4. Well Location Unit Letter K : 2425 Feet From The South Line and 2425 Feet From The West Line

Section 22 Township 27N Range 6W NMPM Rio Arriba County

10. Date Spudded 10-2-99 11. Date T.D. Reached 11-1-99 12. Date Compl. (Ready to Prod.) 1-7-00 13. Elevations (DF & RKB, RT, GR, etc.) 6395' GR 14. Elev. Casinghead

15. Total Depth 7595' MD 16. Plug Back T.D. 7582' MD 17. If Multiple Compl. How Many Zones? 2 (DHC) 18. Intervals Drilled By 0' - 7595' Rotary Tools Cable Tools

19. Producing Interval(s) of this completion - Top, Bottom, Name 7290' - 7486' Dakota 20. Was Directional Survey Made No

21. Type Electric and Other Logs Run MAC w/ GR 22. Was Well Cored No

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	32.3 #	377'	12 1/4"	285 sks Type III cmt	-TDC/Surface
7"	20 #	2590'	8 3/4"	300 sks Type III cmt	65:35 Poz
				TO C / Surface	
4 1/2"	11.6 #	7567'	6 1/4"	535 sks Type III	65:35 Poz
				Did not circulate	

24. LINER RECORD				25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET
					2 3/8"	7432'

26. Perforation record (Interval, size, and number)	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
Dakota - 7410, 26, 45, 49, 51, 55, 57, 59, 70, 78, 80, 86' (39 holes - 1 JSPF)	DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED
Graneros - 7290, 92, 96, 98, 7300, 02, 14, 16, 18, 20, 29, 33' (12 holes - 1 JSPF)	7290-7486' 2710 gals 15% HCl acid, 898# Flex 3d, 150580# white
	20/40' 3d, 26502 gals

28. PRODUCTION

Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing Well Status (Prod. or Shut-in) Shut-in

Date of Test 1-8-00 Hours Tested 8 Choke Size 3/4" Prod'n For Test Period Oil - Bbl. 0 Gas - MCF 1316 Water - Bbl. 0 Gas - Oil Ratio

Flow Tubing Press. 180# Casing Pressure 600# Calculated 24-Hour Rate Oil - Bbl. 0 Gas - MCF 3948 Water - Bbl. 0 Oil Gravity - API - (Corr.)

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Will sell to El Paso when C-104 approved Test Witnessed By Terry Boone/Mike Tabet

30. List Attachments Logs & C-102

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief (915) 685-7607

Signature Charlotte Beeson Printed Name Charlotte Beeson Title Regulatory Clerk Date 1-12-00

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo <u>8'</u>	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland <u>2498'</u>	T. Penn. "C" _____
B. Salt _____	T. Atoka _____	T. Pictured Cliffs <u>3039'</u>	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House <u>4714'</u>	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee <u>4850'</u>	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout <u>5280'</u>	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos <u>5685'</u>	T. McCracken _____
T. San Andres _____	T. Simpson _____	T. Gallup <u>6644'</u>	T. Ignacio Otzte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn <u>7187'</u>	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinberry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____	T. Todillo _____	T. _____
T. Drinkard _____	T. Bone Springs _____	T. Entrada _____	T. _____
T. Abo _____	T. _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn. "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from _____ to _____ No. 3, from _____ to _____
 No. 2, from _____ to _____ No. 4, from _____ to _____

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from _____ to _____ feet _____
 No. 2, from _____ to _____ feet _____
 No. 3, from _____ to _____ feet _____

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology
2600'	2960'	360'	Sh within Ss beds	5870'	7280'	1410'	sh
2960'	3030'	71'	Sh & Coal	7280'	7340'	60'	Ss w/within sh beds
3030'	3200'	170'	Ss w/some sh beds	7340'	7460'	60'	Siltstone within
3200'	3500'	300'	Sh	7400'	7565'	165'	Ss beds
3500'	4680'	1180'	Siltstone w/some				Ss w/siltstone
4680'	4860'	180'	sh beds				beds
4860'	5240'	380'	Ss w/some sh beds				
5240'	5470'	230'	Sh within Ss beds				
5470'	5870'	400'	Ss w/ sh beds toward bottom				
			Siltstone w/some				
			sh beds				

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-105
Revised 1-1-89

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

DISTRICT II
P.O. Drawer DO, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

WELL API NO.	30-039-26207
5. Indicate Type of Lease	STATE ☐ FEE ☒
6. State Oil & Gas Lease No.	

7. Lease Name or Unit Agreement Name

Rincon Unit

8. Well No. 158R

9. Well name or Wildcat
Blanco Mesa Verde

Unit Letter K : 2425 Feet From The south Line and 2425 Feet From The west Line

Section 22 Township 27N Range 6W NMPM Rio Arriba County

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐

b. Type of Completion: NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF RESVR ☐ OTHER ☐

2. Name of Operator Union Oil Company of California

3. Address of Operator P.O. Box 671 - Midland, TX 79702

4. Well Location

10. Date Spudded 10-28-99 11. Date T.D. Reached 11-1-99 12. Date Compl. (Ready to Prod.) 1-7-00 13. Elevations (DF & RKB, RT, GR, etc.) 6395' GR 14. Elev. Casinghead

15. Total Depth 7595' 16. Plug Back T.D. 7582' 17. If Multiple Compl. How Many Zones? 2 (DHC) 18. Intervals Drilled By Rotary Tools 0' - 7595' Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name 4722' - 5318' Mesa Verde 20. Was Directional Survey Made No

21. Type Electric and Other Logs Run MAC w/GR 22. Was Well Cored No

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	32.3#	377'	12 1/4"	285 sxs Type III cement	70C./Surface
7"	20#	2590'	8 3/4"	300 sxs Type III cement	65:35 Poz.
				70C./Surface	
4 1/2"	11.6#	7567'	6 1/4"	535 sxs Type III	65:35 Poz.
				Did not Circ. cement	

24. LINER RECORD 25. TUBING RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 3/8"	7432'	

26. Perforation record (Interval, size, and number) 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
Point Lookout 5318', 15', 13', 10', 5280', 60', 52', 44', 42', 40', 37', 5196', 26', 20' (135PF - 43 holes)	4722' - 5318' 4000 gals 15% HCl acid
Cliff house - 4898', 33', 29', 22', 11', 10', 09', 08', 07', 06', 05', 04', 03', 02', 01', 00', 4' 1999', 98', 97', 96', 95', 94', 93', 92', 84', 72', 70', 68', 63', 56', 54', 53', 50', 43', 22'	90340 gals Linear foam 70g
	220.074# 20/40 sd
	11,985# flex sd

28. PRODUCTION 11,985# flex sd

Date First Production Flowing Production Method (Flowing, gas lift, pumping - Size and type pump) Shut-in Well Status (Prod. or Shut-in)

Date of Test 1-8-00 Hours Tested 8 Choke Size 3/4" Prod'n For Test Period 0 Oil - Bbl. 1484 Gas - MCF 0 Water - Bbl. 0 Gas - Oil Ratio -

Flow Tubing Press. 180# Casing Pressure 600# Calculated 24-Hour Rate 0 Oil - Bbl. 4452 Gas - MCF 0 Water - Bbl. 0 Oil Gravity - API - (Corr.) -

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Will sell EI Paso when C-104 approved Test Witnessed By Terry Boone/Mike Tabet

30. List Attachments C-102 & Logs

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Charlotte Beeson Printed Name Charlotte Beeson Title Regulatory CLK Date 1-12-00

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland 2498'	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs 3039'	T. Penn. "D" X
T. Yates	T. Miss	T. Cliff House 4714'	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee 4850'	T. Madison
T. Queen	T. Silurian	T. Point Lookout 5280'	T. Elbert
T. Grayburg	T. Montoya	T. Mancos 5685'	T. McCracken
T. San Andres	T. Simpson	T. Gallup 6644'	T. Ignacio Otzle
T. Glorietta	T. McKee	Base Greenhorn 7187'	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinberry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todillo	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn. "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from _____ to _____ No. 3, from _____ to _____
 No. 2, from _____ to _____ No. 4, from _____ to _____

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from _____ to _____ feet
 No. 2, from _____ to _____ feet
 No. 3, from _____ to _____ feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
2600'	2960'	360'	Sh w/ thin ss beds	5470'	5870'	400'	Siltstone w/ some sh beds
2960'	3030'	71'	Sh & Coal	5870'	7280'	1410'	Sh
3030'	3200'	170'	Ss w/ some sh beds	7280'	7340'	60'	Ss w/ thin sh beds
3200'	3500'	300'	Sh	7340'	7400'	60'	Siltstone w/ thin ss beds
3500'	4680'	1180'	Siltstone w/ some sh beds	7400'	7565'	165'	Ss w/ siltstone beds
4680'	4860'	180'	Ss w/ some beds				
4860'	5240'	380'	Sh w/ thin ss beds				
5240'	5470'	230'	Ss w/ sh beds toward btm				

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-039-7-26207
Indicate Type of Lease STATE ☐ FEE ☒
State Oil & Gas Lease No.
Lease Name or Unit Agreement Name Rincon Unit
Well No. 158R
Pool name or Wildcat Basin Dakota/Blanco Mesa Verde

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" (FORM C-101) FOR SUCH PROPOSALS.)	
Type of Well: OIL WELL ☐ GAS WELL ☒ OTHER ☐	RECEIVED NOV - 8 1999 OIL CON. DIV. Bldg. 3
Name of Operator Union Oil Company of California	
Address of Operator P. O. Box 671—Midland, Texas 79702	
Well Location Unit Letter <u>K</u> : <u>2425</u> Feet From The <u>south</u> Line and <u>2425</u> Feet From The <u>West</u> Line Section <u>22</u> Township <u>27N</u> Range <u>6W</u> NMPM <u>Rio Arriba</u> County	
Elevation (Show whether DF, RKB, RT, GR, etc.) 6395' GR	

11 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ANBANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

10/27/99 through 11/04/99. MIRU Bearcat Drilling Company Rig #4. Spud 12-1/4" surface hole @ 7:00 p.m. 10/26/99. Drilled to 377'. Circulate and condition. TOH. PU and RIH w/ 8 jts (363') 9-5/8" 32.3# H-40 ST&C. CMT'd w/ 285 sx type "B" cmt w/2% CACL2 + 1/4# celloflake @ 14.5 PPG, 1.41 yield. Mix and pump @ 4-2 BPM. Displaced cmt. Did not bump plug, w/27 BFW @ 30-100 psi. Float held. CIP @ 9:30 a.m. 10/27/99. Circulate 180sx to pit. Cut drilling line. Back-off landing. NU 11" 3M screw-on csg head. NU BOP & choke manifold. Test BOP, WH, CSG, & choke manifold to 1100#/ 30 minutes. PU BHA & TIH. Test rams & BOP to 1000#. Drill FC & CMT from 310-377'. Drill (8-3/4") new formation 377-2600'. TD 8-3/4" hole @ 10/29/99. Circulate. Short tripped with 25' fill. Had tight spots @ 1160', 1300', 1450', 2370'. Circulate to TD. TOH LD DP & CLRS. Change rams. Run 55 jts & 1 PC (2578") 7" 20# ST&C casing. Landed @ 2590'. Cement casing w/250 sx "B" 35:65 Poz + 8% gel + 2% CACL2 + 1/4# gilsonite + 1/4# celloflake @ 12.1 PPG. 2.11 yield. F/B 50 sx "B" + 2% CACL2 + 1/4# celloflake @ 14.5 PPG. 1.41 yield. Bump plug w/ 103.5 BFW, 5-2 BPM, 630-1100 psi. Circulate 12 sx to pit. CIP 3:15 A.M. ND, set slips. Cut-off test seals & NU. Test blinds & casing to 1500#/ 30 minutes. NU air equipment. NU tools. PU and test hammer. TIH on BHA and 3-1/2" DP. Test pipe rams and BOP to 1500#. Unload hole @ 1286'. FIH w/ 3-1/2" DP. Unload hole @ 2543' & build mist. Mist drilled float equipment & shoe. Dry-up hole Dust drill new 6-1/4" hole 10/31/99. Drill from 2590-7595'. TD 6-1/4" hole @ 12:45 p.m. @ 11/03/99. Blow hole and POH LD DS. Ran and cemented 173 jts + 1 piece 11.6# N-80 LT&C @ 7568'. Pumped 20 bbl gel + 10 BFW flush and 535sx "B" 65/35 POZ + 10# CSE + 1/4# CF + .2% CD-32 + .65% FL-62 + 6% gel + 3% KCL, @ 12.5 PPG. 2.07 yield. Displace and bump plug w/ 115 BFW @ 8-2.5 BPM, 500-1250#. Shut down and check float. Did not circulate. PD & JC 3:30 a.m. 11/03/99. Set slips, cut off csg. Release rig @ 7:00 a.m. 11/04/99.
I hereby certify that the information above is true and complete to the best of my knowledge and belief.
Surveys 1/2" @ 244', 1/4" @ 847', 1/4" @ 1345', 1/4" @ 1865', 1/2" @ 2420', 1 1/4" @ 2560'.

SIGNATURE [Signature] TITLE Permian Rocky Mt. Dr'g Foreman DATE NOV 8 1999

TYPE OR PRINT NAME Micheal C. Phillips TELEPHONE NO. (915) 685-7608

(This space for State Use)
ORIGINAL SIGNED BY CHARLIE T. PERRIN

PERMITS & GAS INSPECTOR, DIST. #3

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

**PERMIAN BASIN / ROCKY MTN.
CONTRACT RESUME
LAND DEPARTMENT**

DATE 10/06/99

XA NO. _____

PREPARED BY Jim RoseAFE NO. 135422, 135420, 135421

Unit Operating Agreement dated 6/1/51

PROSPECT San Juan (7220) COUNTY San Juan STATE New Mexico

Location (Field / Well Location & Name) Rincon Unit Well Nos. 158R, 169M, & 172M

OPERATOR: Spirit Energy 76

The Beamor/Lundell Group and McMahan & Lewis Trust are non-consent in drilling the subject wells as follows:

	<u>BEFORE PAYOUT %</u>	<u>AFTER PAYOUT %</u>
Conoco, Inc.	5.19861	4.58009
DeLaFosse Prop. Ltd.	1.47851	1.30259
H. R. Stasney & Sons Co.	1.47851	1.30259
Burlington Resources O&G	1.76178	1.55217
Burlington Resources-Beamor/Lundell	0.00000	10.59527
Beryl B. McMahan Trust	0.00000	0.65130
Thomas V. McMahan Trust	0.00000	0.32565
Gwinn M. Lewis Trust	0.00000	0.32565
The Wiser Oil Co.	2.88730	2.54378
Spirit Energy 76	<u>87.19529</u>	<u>76.82091</u>
	100.00000%	100.00000%

*UNION OIL COMP
of CALIFORNIA*

100/300% Penalty