

OIL CONSERVATION DIVISION
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August 10, 1994

State of New Mexico
Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503

Gentlemen:

Union Oil Company of California (UNOCAL) requests permission for a nonstandard Basin Dakota/Blanco Mesa Verde location for our existing Rincon Unit No. 302 well, located 150' FNL and 2455' FWL, Section 11, T26N-R7W, Rio Arriba County, New Mexico.

This well was originally permitted (and approval granted from the State and BLM) as a Basin Dakota/Largo Gallup well. The well was spudded July 6, 1994 and TD'ed at 7,612', July 18, 1994. The well was logged and 5-1/2" production casing was run and cemented. After evaluating the logs we find that the Gallup formation has no production potential and any perforating/stimulation in the Gallup is not warranted. Therefore, UNOCAL wishes to complete the well in the Dakota/Mesa Verde formation.

The offset lease owner, Louis Dreyfus Natural Gas Corporation has been contacted by certified letter requesting Waiver of Objection to this proposed unorthodox location.

If you have any questions, please contact me at 307/234-1563 ext 116. Thank you for your help in this matter.

Sincerely,

A handwritten signature in black ink that reads "Jim Benson". The signature is fluid and cursive.

Jim Benson
Drilling Superintendent

c: Ernie Busch
Aztec, NM

Submit to Appropriate District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

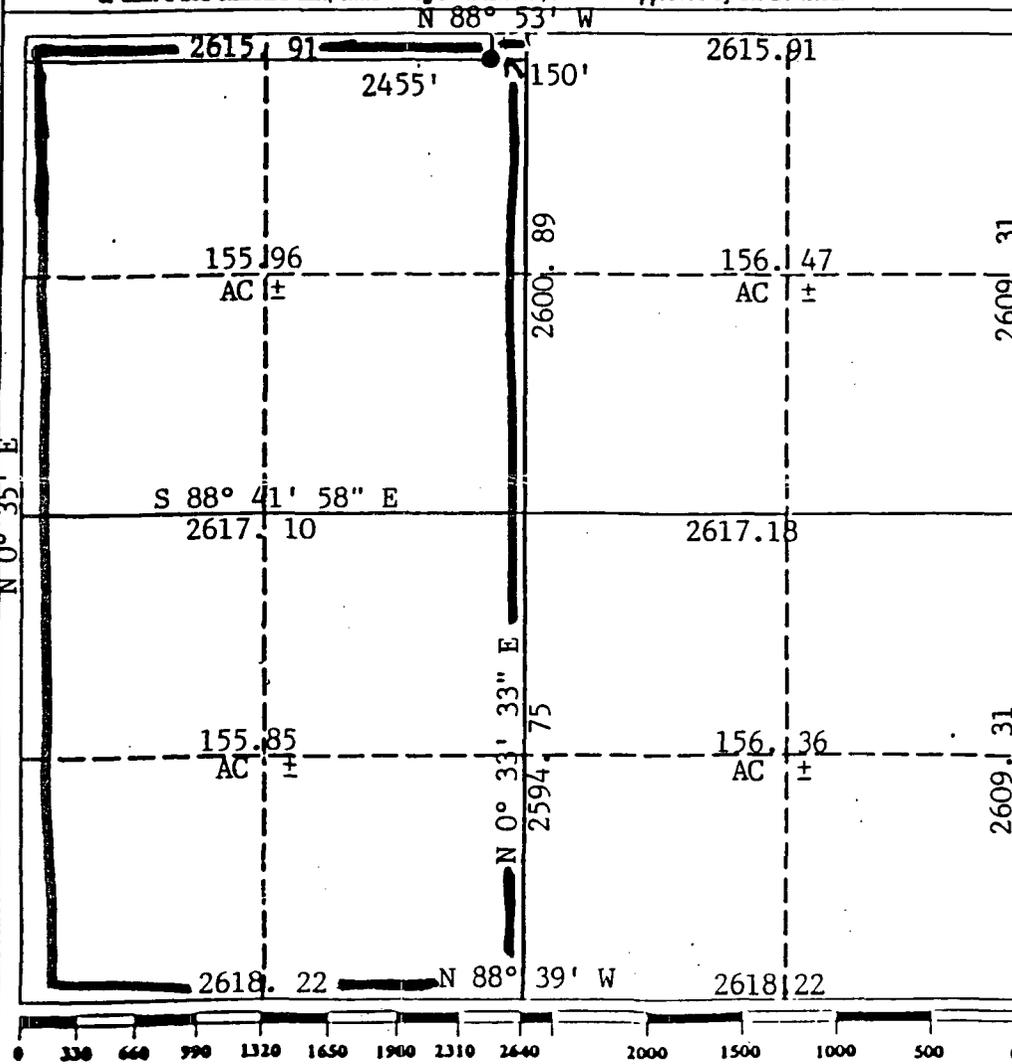
Operator UNOCAL			Lease RINCON			Well No. 302		
Unit Letter C	Section 11	Township 26N	Range 7W	County NMPM RIO ARRIBA				
Actual Footage Location of Well:								
150 feet from the NORTH line and			2455 feet from the WEST line					
Ground level Elev. 6702		Producing Formation Dakota/Mesa Verde		Pool Basin Dakota/Blanco Mesa Verde		Dedicated Acreage: 320 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

Yes No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature: *Jim Benson*
 Printed Name: **Jim Benson**
 Position: **Drilling Superintendent**
 Company: **Union Oil Of California**
 Date: **August 10, 1994**

SURVEYOR CERTIFICATION

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 supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: **September 22, 1993**
 Signature & Seal of Professional Surveyor: *B. Tullis*
 Seal: **B. Tullis**
 Certificate No.: **9672**

Mike Stogner

From: Mary Leonard
To: Mike Stogner
Subject: INTERACTION CLASS tHURSDAY-FRIDAY
Date: Mon, Aug 22, 1994 1:28PM
Priority: High

Michael, I just read my reference to you in Highlights; was it offensive? I intended it to be complimentary as well as the truth! If I missed the mark, I need to know so I won't goof again.

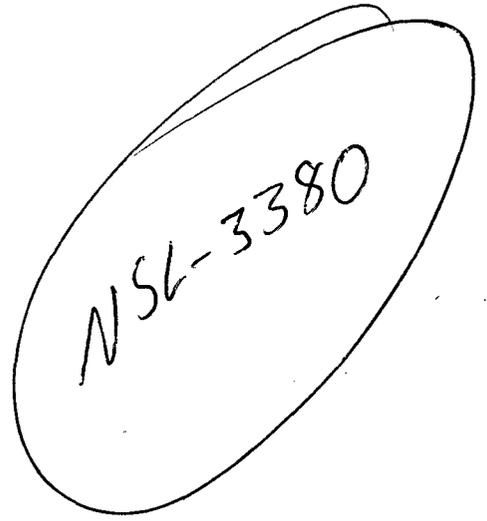
On Thursday and Friday of this week, at the Llano street library community room, I will be "facilitating" a complete INTERACTION class for the folks in ECMD; I thought you might like to see it in action as you consider becoming a trainer. It's not nearly as hard as MBR; everything is very programmed but it allows alot of latitude for one's personal touch. Let me know if your schedule will permit. You'll LOVE these folks; their entire division took MBR last December, with Myers Briggs so now we are concluding with INTERACTION, just as I dream of doing with OCD.

I also need your ideas on a "fun event" for the Pacheco folks to host to welcome you all over here; I'll be at the staff meeting tomorrow so if you can't respond before then, we can discuss.

Mike Stogner

From: Ernie Busch
To: Mike Stogner
Subject: UNOCAL (NSL)
Date: Thu, Sep 15, 1994 7:50AM
Priority: High

RINCON UNIT #302
150' FNL; 2455' FWL
C-11-26N-07W
RECOMMEND: APPROVAL



NSL-3380