Unocal Oil & Gas Division
Unocal Corporation
900 Werner Court, P.O. Box 2620
Casper, Wyoming 82602-2620
Telephone (307) 234-1563

UNOCAL 76

July 7, 1994

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

Dear Mr. Stogner,

Union Oil Company of California (UNOCAL) requests permission for a nonstandard location for our Rincon Unit No. 149E located 1900' FNL and 1365' FWL, Sec. 30, T27N-R6W, Rio Arriba County, New Mexico.

This well is a proposed dual Basin Dakota/Blanco Mesa Verde well that does not conform, as staked, to a "standard" Dakota location, being approximately 50' to far south and 85' to far west. It is not feasible to move the proposed location farther to the north or east because of an existing lease road and E.P.N.G. pipeline (that parallels the lease road) just N, NE of the location and an overhead power transmission line approximately 25' from the east end of the location. (See attached Pad Layout and Topography.)

Union Oil Company of California is the soul offset lease owner and operator.

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

Sincerely,

Jim Benson
Drilling Superintendent

c: Ernie Busch, Aztec, NM

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

OIL CONSERVATION DIVISION

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

Form C-102
Revised 1-1-89

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator	Lease	Well No.
UNOCAL	RINCON	149-E

Unit Letter	Section	Township	Range	County
F	30	27N	6W NMPM	RIO ARRIBA

Actual Footage Location of Well:
1900 feet from the NORTH line and 1365 feet from the WEST line

Ground level Elev.	Producing Formation	Pool	Dedicated Acreage:
6709	Dakota/MesaVerde	Basin Dakota/Blanco MesaVerde	320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

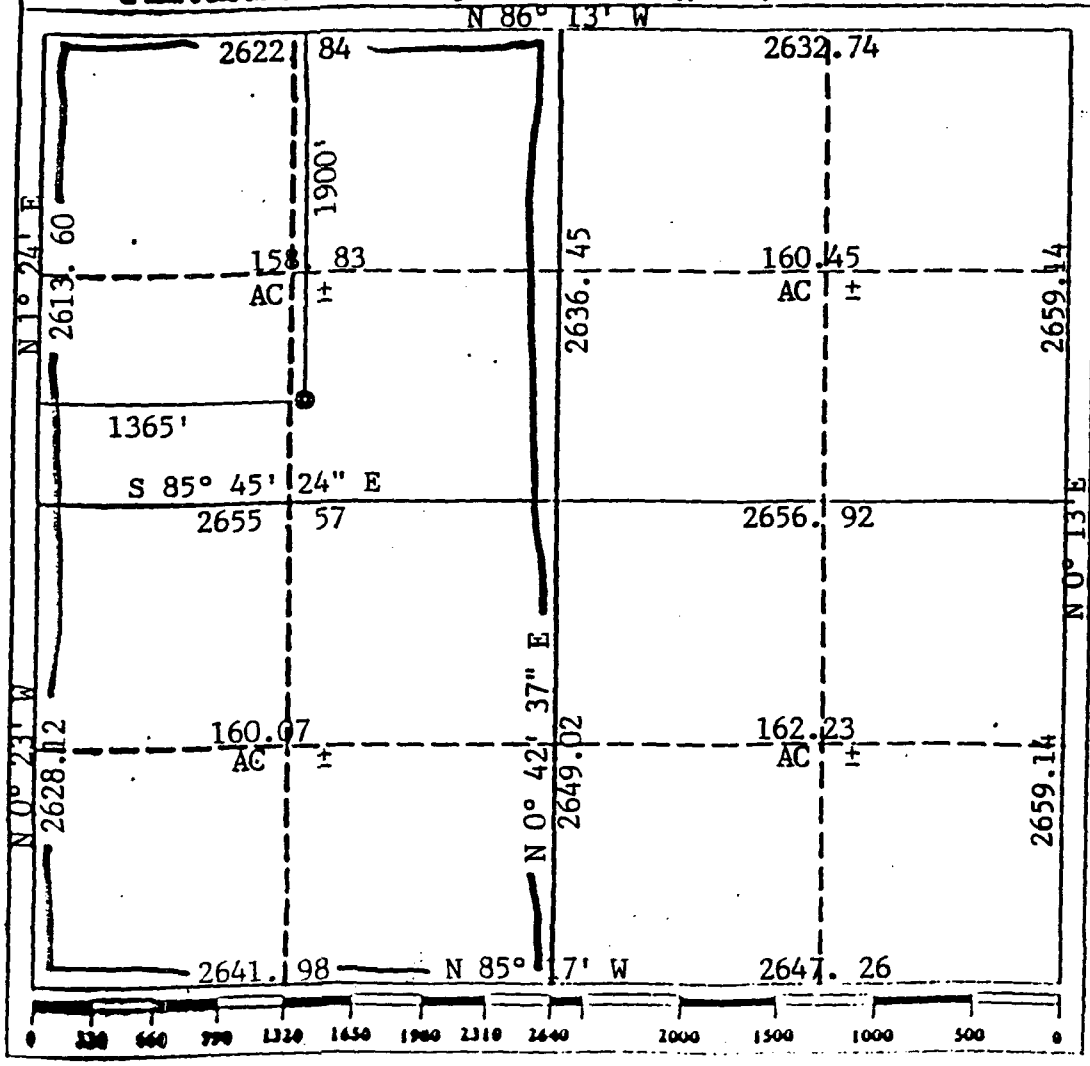
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. 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 unitization

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 Co. of Calif.

Date: 3/25/94

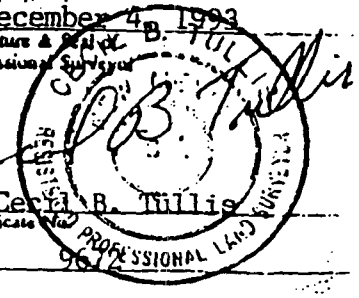
SURVEYOR CERTIFICATION

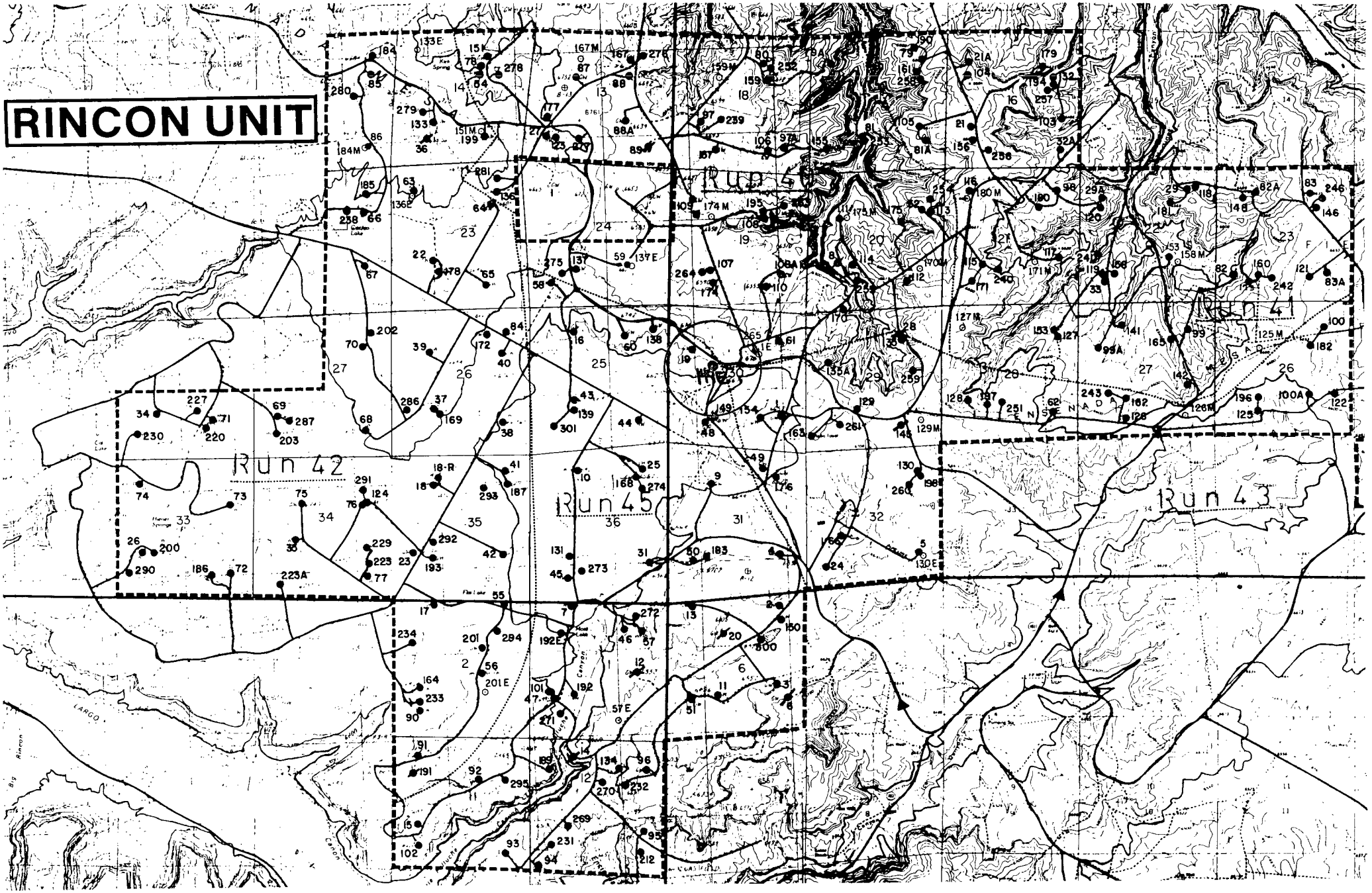
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

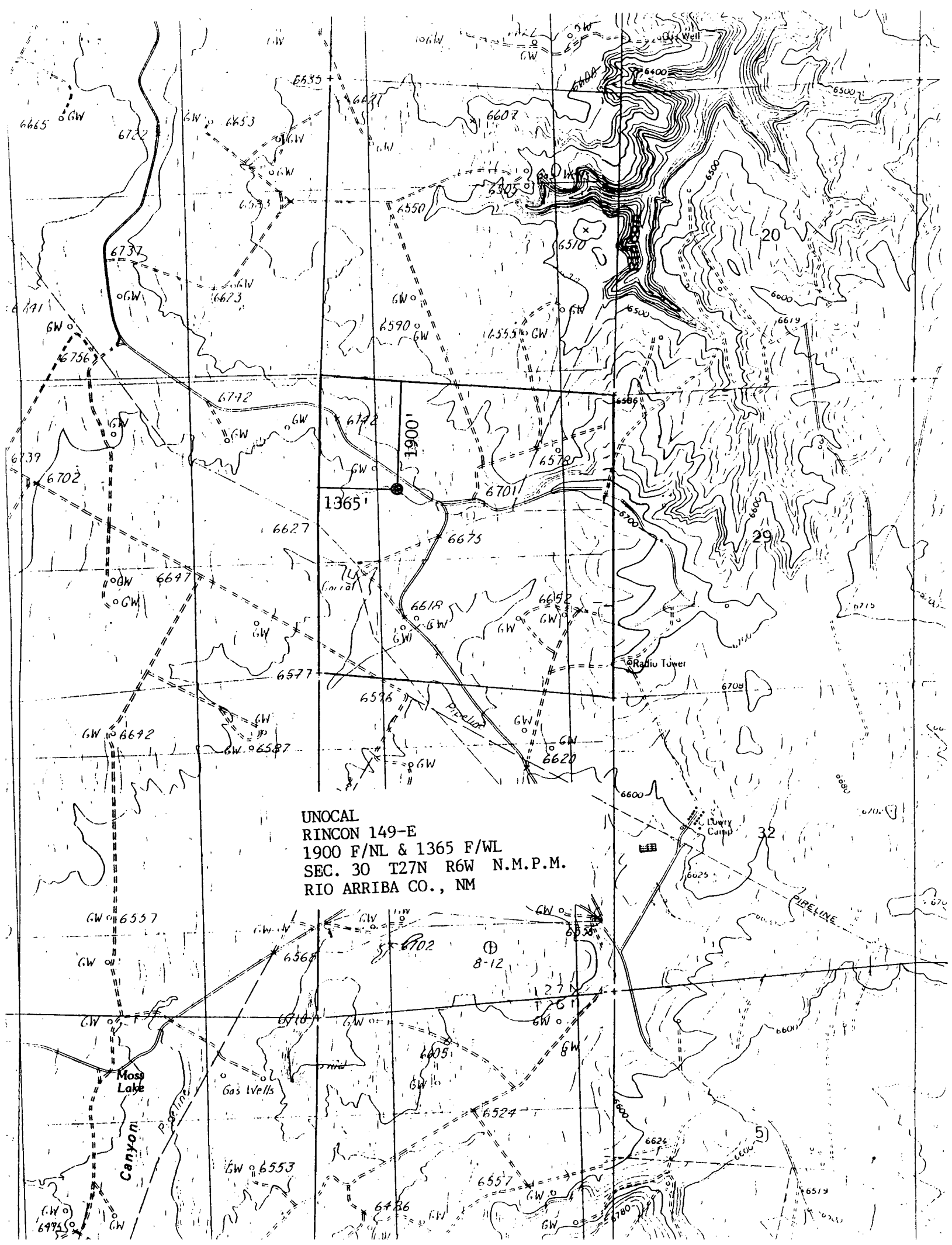
Date Surveyed: December 4, 1993

Signature & Seal of Professional Surveyor: Cecil B. Tullis

Certificate No. 9672




RINCON UNIT
Run 42
Run 45
Run 41
Run 43


UNOCAL
RINCON 149-E
1900 F/NL & 1365 F/WL
SEC. 30 T27N R6W N.M.P.M.
RIO ARRIBA CO., NM
1900'
1365'
20
29
32
5
8-12
Radio Tower
Lowry Camp
Moss Lake
Gas Wells
Canyon
PIPELINE

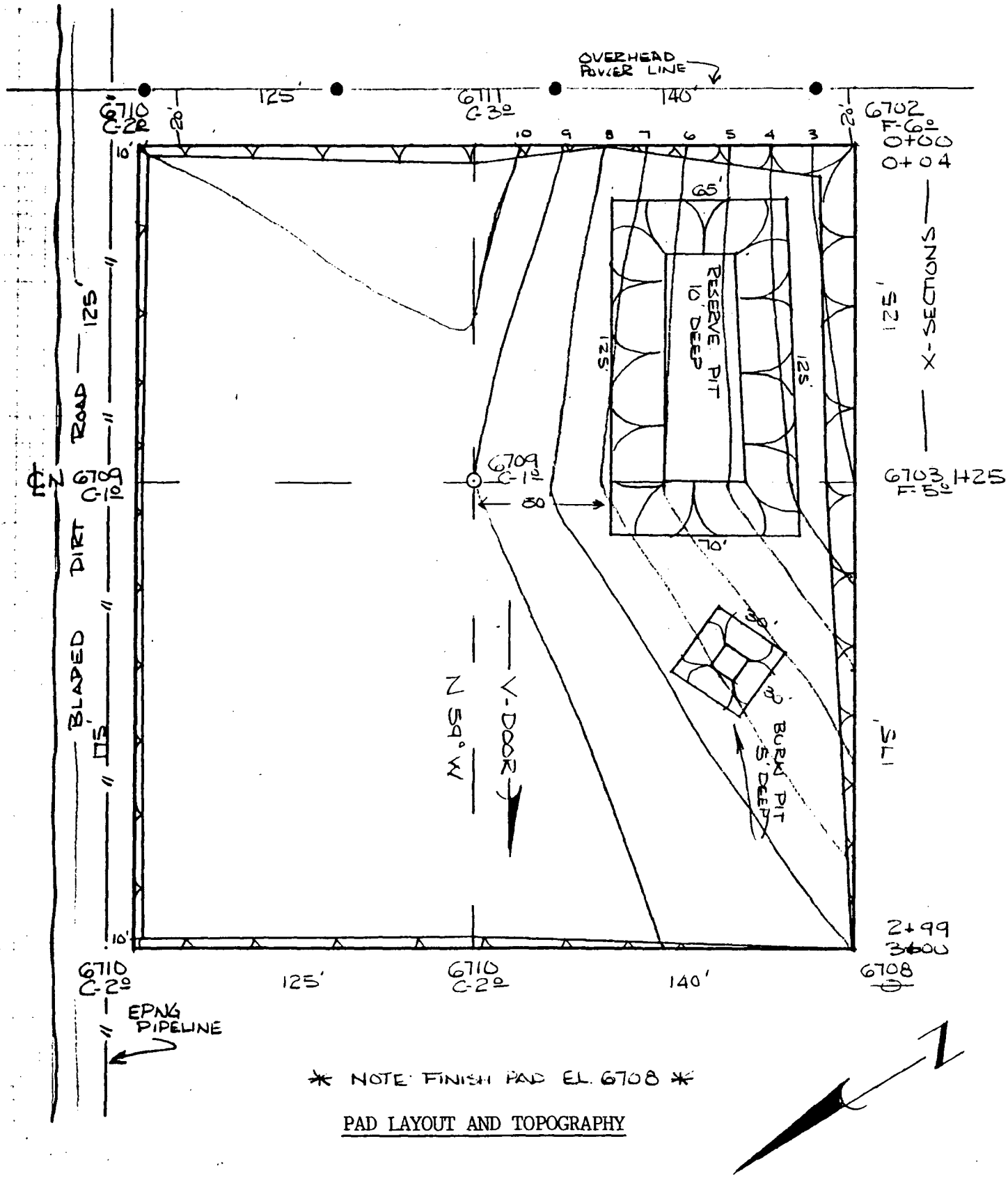
UNOCAL

Scale 1" = 50'

Contour Int. = 1'

RINCON 149-E
1900 F/NL & 1365 F/WL
Sec. 30 T27N R6W N.M.P.M.
Rio Arriba Co., NM

NOTE; FINISH ELEV. 6708



* NOTE FINISH PAD EL. 6708 *

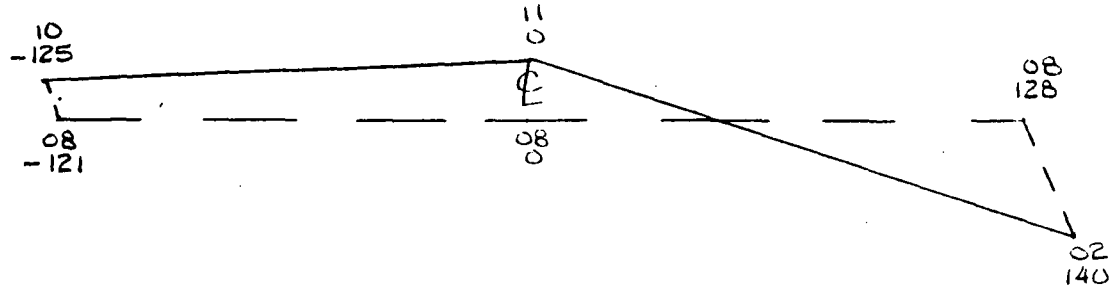
PAD LAYOUT AND TOPOGRAPHY

UNOCAL

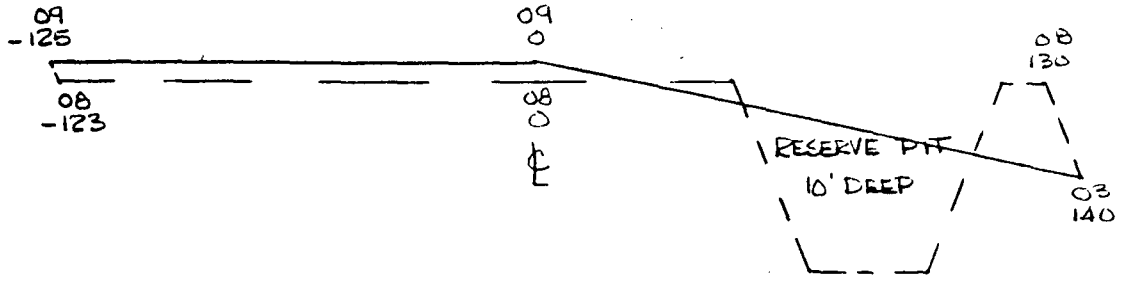
Scale: **Horz.** 1" = 50'
Vert. 1" = 10'

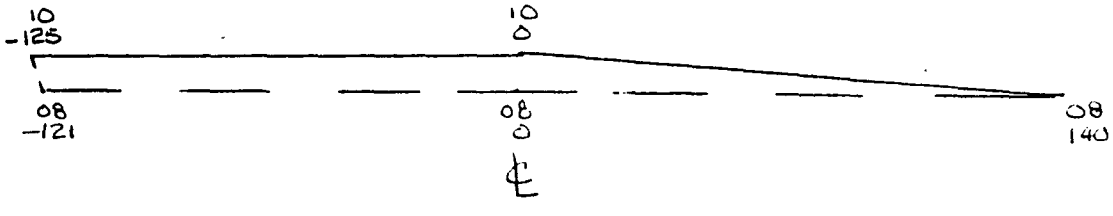
PINCON 149-E

0+00 ZERO CUT/FILL



X-SECTION AND VOLUMES





3+00 ZERO CUT/FILL

CUT.....2868 CU YDS.
FILL.....2022 CU YDS.
PIT EXCAVATION.....1921 CU YDS.

Form 3160-3
(July 1992)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.: SF 079364

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER — SINGLE ZONE [ ] MULTIPLE ZONE [X]

7. UNIT AGREEMENT NAME: RINCON

8. FARM OR LEASE NAME, WELL NO.: RINCON UNIT 149-E

2. NAME OF OPERATOR: UNION OIL COMPANY OF CALIFORNIA

9. API WELL NO.:

3. ADDRESS AND TELEPHONE NO.: P. O. Box 2620, Casper, WY 82602 (307)234-1563, ext. 116

10. FIELD AND POOL, OR WILDCAT: Basin Dakota/Blanco MesaV

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1900' FNL & 1365' FWL
At proposed prod. zone: Same

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 30, T27N, R6W

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: Approximately 25 miles SE of Blanco, New Mexico

12. COUNTY OR PARISH: Rio Arriba

13. STATE: New Mexic

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
1365'	2560.34	160
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
450'	7860'	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 6709' GR

22. APPROX. DATE WORK WILL START*: 5-15-94

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" -K-55	24#	350'	± 250 sxs Class "B"
7 7/8"	5 1/2" -K-55	17# & 15.5#	± 7860'	2 stage w/DV tool @ ± 5000' 1st-lead, ± 450 sxs "Lite", ta 125 sxs Class "B" 2nd-lead, ±750 sxs "Lite", ta 125 sxs Class "B"

PROPOSED DRILLING PROGRAM

Drill 12 1/4" hole to 350' w/ spud mud. Run and cmt to surface 8 5/8" csg. Nipple up and test BOPE. Drill 7 7/8" hole to ± 7860'-TD w/ fresh water/gel mud system. Log and if productive, run and cement 5 1/2" csg in 2 stages w/"DV" tool @ ± 5000'. Selectively perforate the Dakota and Mesa Verde formations. Fracture stimulate both zones separately as required. Test and complete w/packer and 2 3/8" tbg.

NOTE: Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Union Oil Company of California (BLM Bond # CA0048).

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Jim Benson — TITLE Drilling Superintendent — DATE 3/30/94

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereo

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the [illegible] as to any matter within its jurisdiction.

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 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-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator	Lease	Well No.
UNOCAL	RINCON	149-E

Unit Letter	Section	Township	Range	County
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☒ Yes ☐ No If answer is "yes" type of consolidation unitization

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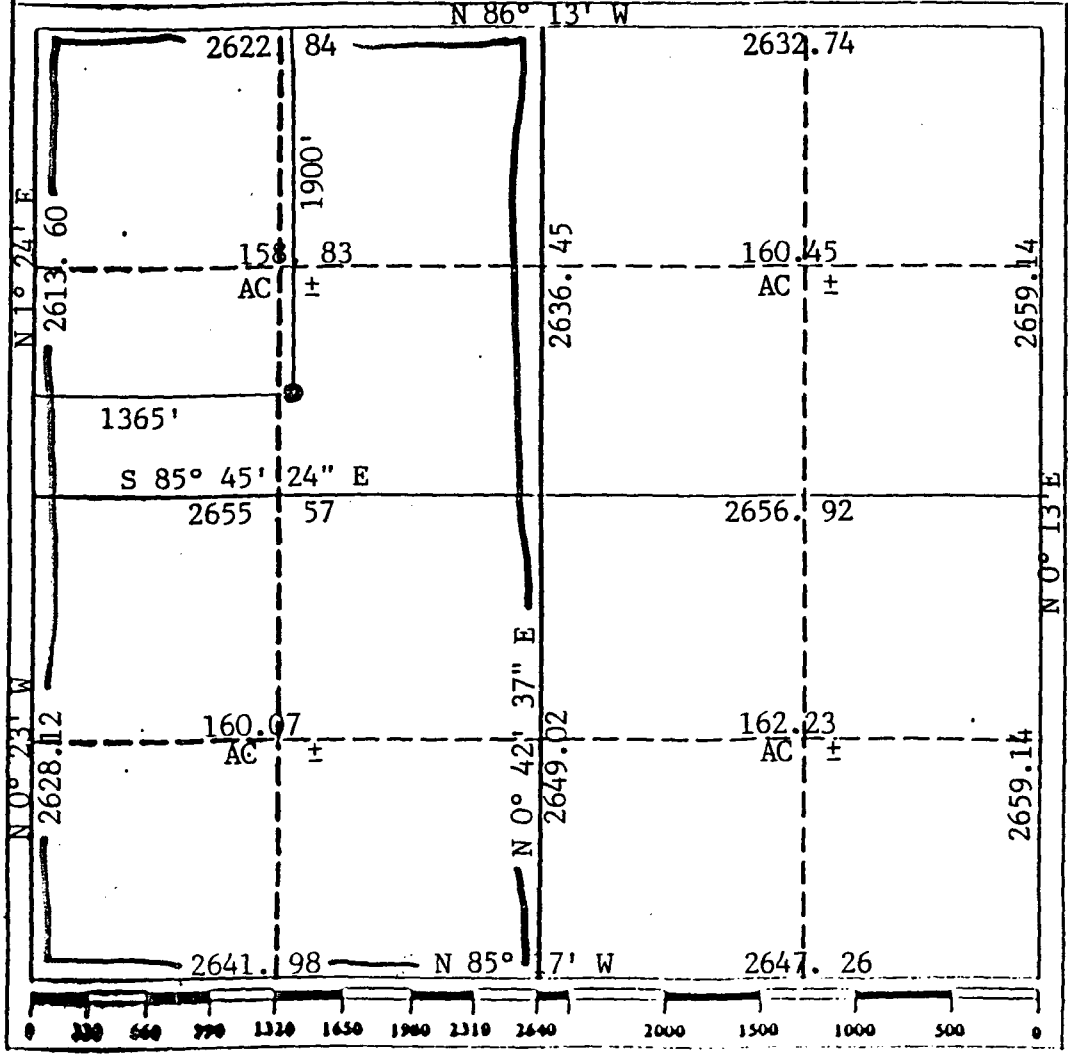


OPERATOR CERTIFICATION

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 Co. of Calif.

Date: 2/25/94

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: December 4, 1993

Signature & Seal of Professional Surveyor: Cecil B. Tullis

Certificate No. 9672 PROFESSIONAL LAND SURVEYOR

UNION OIL COMPANY OF CALIFORNIA

RINCON UNIT #149E
1900' FNL & 1365' FWL
Sec. 30, T27N, R6W
RIO ARRIBA COUNTY, NEW MEXICO

A. Drilling Program

1. Surface Formation: San Jose

Estimated tops of Geological Markers

Ungraded Ground Elevation - 6709'

FORMATION	DEPTH BELOW G.L.
San Jose	Surface
Ojo Alamo	2350'
Fruitland	2970'
Pictured Cliffs	3183'
Lower Chacra	4281'
Cliff House	4856'
Point Lookout	5421'
Middle Gallup	6781'
Tocito/Gallup	6971'
Graneros SS	7459'
Dakota	7581'
Burro Canyon	7711
Morrison S.S.	7791'
Total Depth	7860'

2. Estimated Depth at which oil, gas, water or other mineral-bearing zones are expected to be encountered.

	Formation	Top	Bottom
Expected oil zones:	Tocito/Gallup	6971'	7459'
Expected gas zones:	Fruitland	2970'	3183'
	Pictured Cliffs	3183'	4281'
	Mesa Verde	4856'	5521'
	Dakota	7581'	7711'

Expected water zones: May encounter water flows from the Ojo Alamo (±2000') thru the Mesa Verde formation to the Mancos shale at ± 5300'.

Expected Mineral zones: None

3. Pressure Control - BOP (See Attachment Nos. 1, 2, & 3). Well head: Casing head 8 5/8" x 11" - 3000 psi w.p. (See Attachment No. 3)

BOP Stack and Related Equipment (See Attachment Nos. 1 & 2) One double-gate BOP with 4 1/2" pipe rams and blind rams. The BOP will be hydraulically operated by an accumulator with 1 1/2 times the necessary capacity to close all rams and retain a minimum of 200 psi above precharge. The remote unit (accumulator) will be located in the bottom "dog house" or on the ground between the "dog house" and toolpushers' trailer. A rotating head on top of the BOP stack will be utilized.

A kelly cock will be utilized and a stabbing valve will be on the rig floor.

Two-choke manifold with adjustable and positive chokes.

The choke line will be as straight as possible and turns, if required, will use "T" blocks.

Although 3000 psi BOP equipment will be used, equipment determination (BOP & manifold), line sizing and testing are based on the requirements for 2000 psi BOP equipment due to the known drilling and reservoir conditions.

Testing Procedure:

BOP (pipe and blind rams) and choke manifold will be tested at the rated working pressure of the stack or to 70% of the internal yield of the surface casing as required by the provisions of Onshore Oil and Gas Order No. 2. Tests will be performed at time of installation, following all repairs, prior to drilling out each casing shoe, and at least every 30 days. BOP's will be operationally tested daily and each test will be logged in the IADC Daily Drilling Report. All related requirements of Onshore Oil and Gas Order No. 2 will be met.

Blooie Line:

The blooie line and related equipment will meet all requirements of Onshore Oil and Gas Order No. 2.

4. Casing Program

Surface Casing - 8 5/8" @ ± 350'
(Mud wt ± 9.0 ppg)

Depth	Size	Wt.	Grade	Thread	New/Used
350'	8 5/8"	24#	K-55	8rd-ST&C	New

NOTE: Surface casing shall have centralizers on every joint starting at the shoe joint and ending on the last joint @ surface.

Production Casing 5 1/2" @ TD
(Mud Wt. ± 9.0 ppg)

Depth	Size	Wt.	Grade	Thread	New/Used
TD - ±6800'	5 1/2"	17#	K-55	8rd-ST&C	New
±6800'-Surf	5 1/2"	15.5#	K-55	8rd-ST&C	New

Minimum Safety Factors

Collapse:	1.125
Tension:	1.8
Burst:	1.0

Casing Testing:

All casing strings will be pressure tested to 0.22 psi/ft. or 1500 psi (whichever is greater) but not to exceed 70% of the minimum internal yield.

Cementing Program:

A.) Surface casing - The surface casing will be cemented to surface to isolate any fresh water or gas zones w/± 250 sxs Class "B" w/ 2% $CaCl_2$ and 1/4#/sx Cello flakes. (Volume plus 100% excess) slurry weight 15.7 ppg, yield 1.17 cu ft/sx. Cementing hardware to include guide shoe, insert float collar and centralizers.

B.) Production casing - (Actual cement volumes to be recalculated based on caliper logs plus 35% excess). The production casing will be cemented in 2 stages as follows: DV tool @ ± 5000'

1st Stage: Lead - 450 sxs 50/50/2 POZ containing gel, fluid loss control, free water control agent, dispersant, and lost circ. material (slurry wt. 13 ppg, yield 1.27 cu ft/sx). Tail with 125 sxs Class "B" w/ fluid loss control (slurry wt. 15.7 ppg, yield 1.17 cu ft/sx).

2nd Stage: Lead - 750 sxs 65/35/8 containing gel fluid loss control, free water control agent and loss circ. material (slurry wt. 11.4 ppg, yield 2.48 cu ft/sx). Tail with 125 sxs Class "B" w/ fluid loss control (slurry wt. 15.7 ppg, yield 1.17 cu ft/sx).

Casing hardware for production string to include guide shoe, insert float collar, centralized shoe joint and next five joints. Centralizers and turbalizers above and below stage tool, oil and gas zones as needed and across Ojo Alamo formation.

Auxiliary Equipment:

1. Kelly cock
2. Stabbing valve when kelly is out of string
3. Rotating head

5. Drilling Fluid:

Depth	Type	Wt.	Vis	W.L.
Surf. - 350'	fresh water/gel		Spud Mud	
350 - ± 4600'	fresh water/gel	8.4-8.6	30-35	NC
± 4600' - TD	fresh water/gel	8.6-9.0	35-45	<10

Actual mud volume and/or mud reserve material will be equal to or greater than the active system capacity. System volume (steel tanks only) will be approx. 400 bbls. Sufficient LCM material will be on location and utilized to control loss circulations problems.

Note: Because of the highly developed area surrounding the proposed well and the well-known drilling conditions, flow sensors and PVT's will not be utilized.

6. Testing, logging and coring program:

DST's: None Planned

Logging: 1. Surface casing to TD - DIL/SP/Gr
2. Surface casing to TD - LDT/CNL/CAL with P.E.F.

Coring: None Planned

Completion: After drilling and running and cementing the production casing, the drilling rig will be removed and a service unit will be moved in. BOPs of similar pressure rating as those used to drill with will be used. The Dakota and Mesa Verde will be selectively perforated and hydraulically fracture stimulated. A packer will isolate the reservoirs and the well will be completed and tested utilizing 2 3/8" tbg.

7. Abnormal Pressures, temperatures, and potential Hazards:

A) Due to numerous wells drilled in the unit, no above normal pressure zones are anticipated.

B) No above normal temperatures are anticipated.

C) No hydrogen sulfide gas is anticipated.

8. Additional Information:

Starting Date:

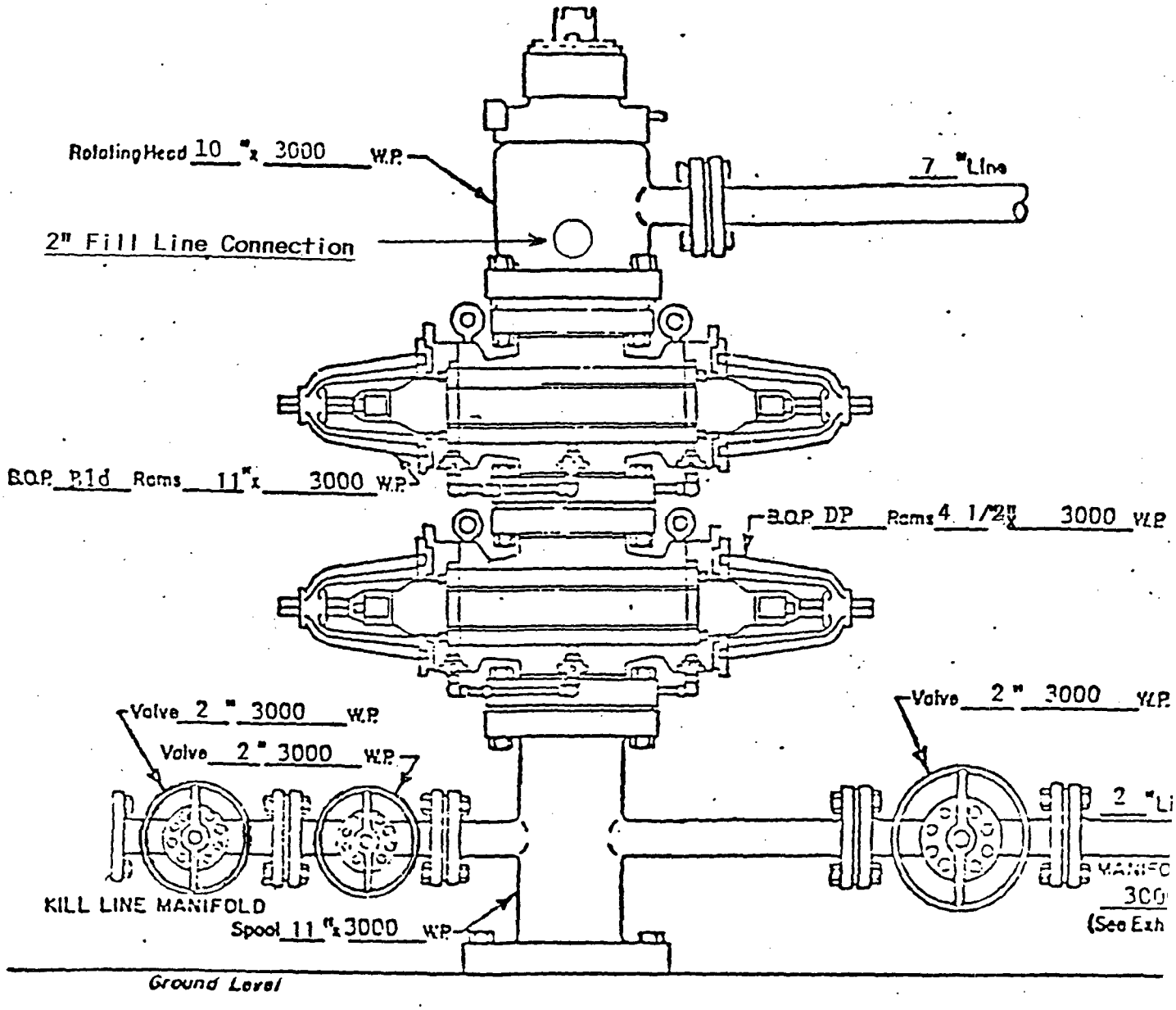
Road and location work will begin (with BLM approval) between March 15 - Apri 1, 1994 - weather permitting. Drilling would commence shortly after completion of the road and location.

Duration of Operation:

Drilling - 20 days

Completion - 15 days

UNION OIL COMPANY OF CALIFORNIA
RINCON UNIT WELLS
RINCON FIELD
RIO ARRIBA COUNTY, NEW MEXICO



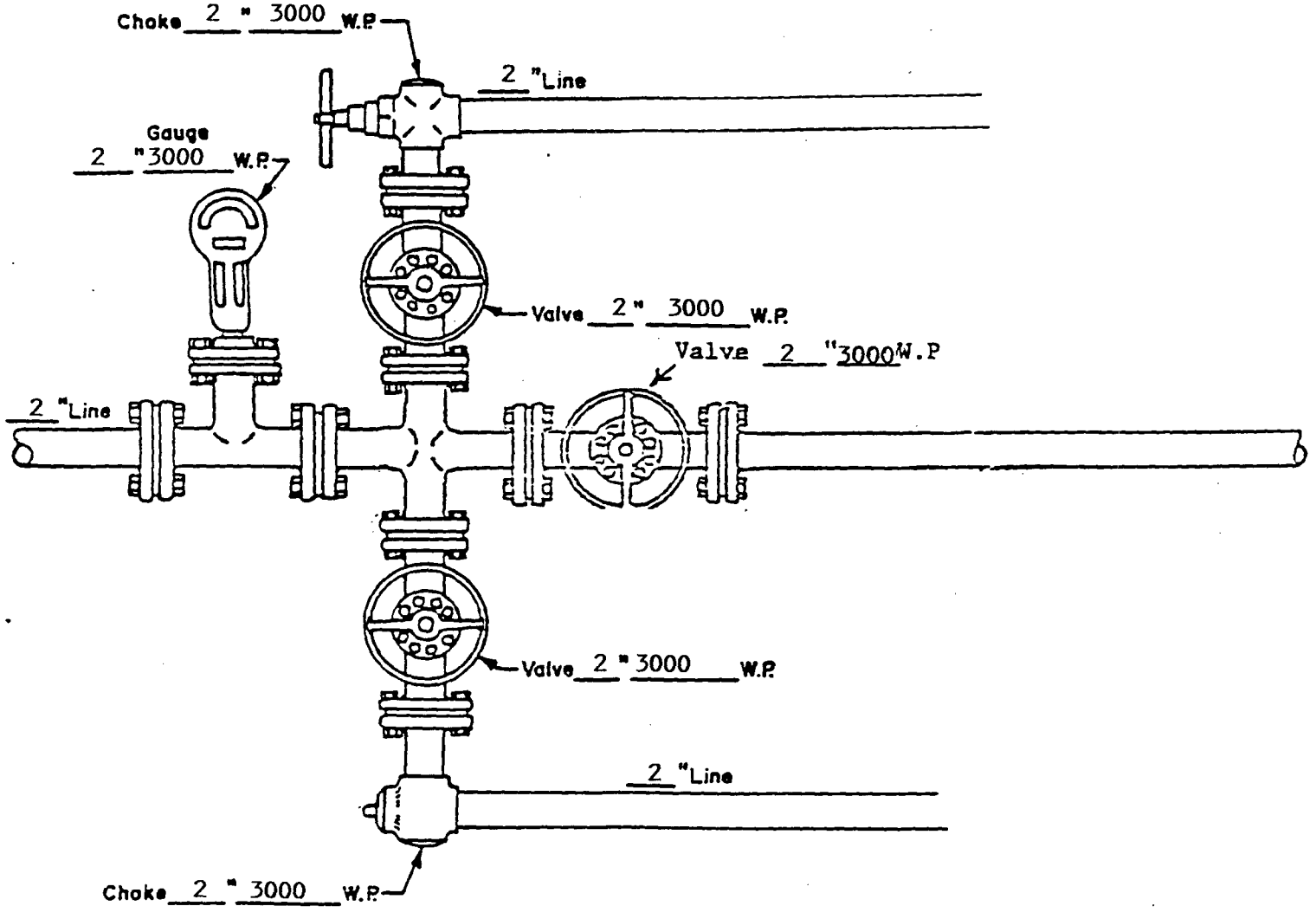
WELL HEAD B.O.P.
3000 #W.P.

☐ Manual
☒ Hydraulic

NOTE: Although 3000 psi BOP equipment will be used, equipment determination and line sizing are based on the requirements for 2000 psi BOP equipment due to the known drilling and reservoir conditions.

ATTACHMENT NO. 1

UNION OIL COMPANY OF CALIFORNIA
RINCON UNIT WELLS
RINCON FIELD
RIO ARRIBA COUNTY, NEW MEXICO



MANIFOLD
3000 #W.P

☒ Manuel
☐ Hydraulic

ATTACHMENT NO. 2

UNION OIL COMPANY OF CALIFORNIA

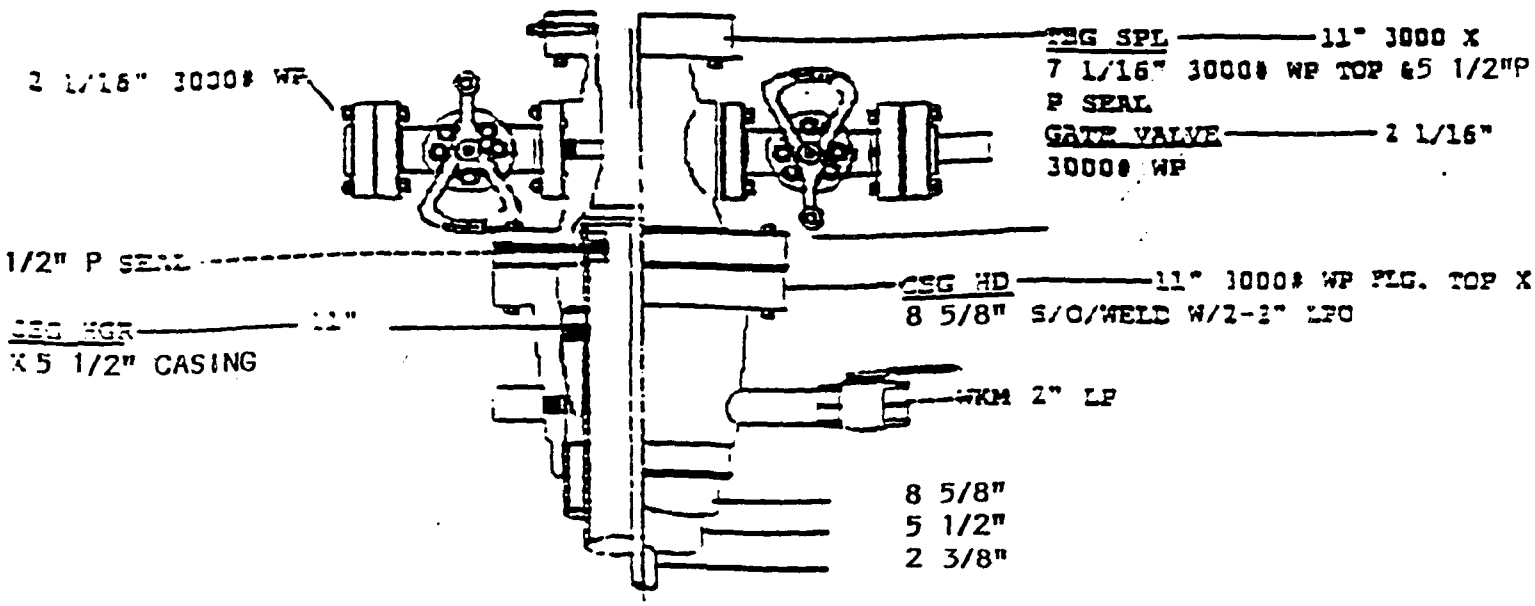
RINCON UNIT WELLS

(DAKOTA/MESA VERDE)-(DAKOTA/GALLUP)

RINCON UNIT

RIO ARRIBA COUNTY, NEW MEXICO

(8 5/8", 5 1/2", 2 3/8")



Attachment No. 3

UNION OIL COMPANY OF CALIFORNIA
RINCON UNIT #149E
1900' FNL & 1365' FWL
SEC. 30, T27N, R6W
RIO ARRIBA COUNTY, NEW MEXICO

B. Thirteen Point Surface Use Plan

1. Existing Roads:

a. Proposed Well Site Location: The proposed well site was staked under direction of a registered land surveyor and is shown on the enclosed surveyor's plat.

b. Proposed Access Route and Existing Roads: Attachment Nos. 4, 5 and 6 indicate the proposed access route and existing roads in the area.

c. Proposed Route to Location: From Blanco, New Mexico proceed East on highway US 64 for approximately 1 mile to the intersection of County Road 4450 (Largo Canyon Road) and US 64. Turn right (south) and proceed approximately 25 miles going past El Paso's Largo camp to the intersection of highway 4450 and 403 (Counselor Road) at the abandoned Largo School. At this intersection proceed straight, going across the large cement bridge and up ICE Canyon Road for approximately 2 1/2 miles to a Y in the road. Turn left at the Y in the road (towards Union's Lowry Camp) and proceed approximately 1 1/4 mile to T in the road (turn off to Union's Lowry Camp). From this T in the road proceed straight approximately 1 1/2 miles to T in road (at the top of the ridge). Turn left at T in road and proceed approximately 1/4 mile staying on the main ridge road (going towards Goulds Pass). Turn left onto location.

d. Existing roads and any newly constructed roads will be maintained at a standard equal to or better than the conditions of the roads prior to the start of operations. At the conclusion of drilling and completion operations, the roads will be repaired and restored to a standard equal to or better than the conditions at the start of operations. Existing roads on federal surface will be maintained at BLM standards.

2. Planned Access Roads:

   a. No new access road will be required. All vehicles will be confined to the access roads, pads and the location area.

   b. Width, Grade and Turnout: N/A

   c. Culverts, Major Cuts and Fills: No culverts will be needed. No diverson ditches will be needed.

   d. Surfacing Material: None planned

   e. Gates, Cattle Guards, Fence Cuts: There will be no cattle guards, fence cuts or gates.

3. Location of Existing Wells: Attachment Nos 6 and 7 indicate wells within a one mile radius.

4. Location of Existing or Proposed Facilities:

   a. There are no existing facilities located within the well pad.

   b. Attachment No. 8 shows the proposed new facilities and flow lines to be constructed if the well is productive. Approximately 330' of new welded and wrapped steel line of three to four inch diameter will be buried and run to the SW to connect into the nearest El Paso line. The pipeline will be buried along existing disturbed areas, and/or along existing roads or right-of-ways where feasible.

   c. There are no additional construction materials anticipated.

   d. If necessary, any auxiliary pits (mud pits, blow pits, test pits) will be constructed so as not to leak, break or allow discharge of liquids. These pits will be fenced and flagged to protect livestock and wildlife.

   e. Rehabilitation of Disturbed Areas Unnecessary for Production: Three sides of the reserve pit will be fenced during drilling operations. After the rig moves off, the fourth side will be fenced. After the well is completed and tested and

   following completion of construction of production facilities, the location will be cleaned up and

following completion of construction of production facilities, the location will be cleaned up and bladed, and those areas required for continued production will be graded to provide drainage and minimize erosion. The reserve pit will be allowed to dry for a period not to exceed 1 year and then will be backfilled. The reserve pit and the area unnecessary for use during production will be graded to blend with the surrounding topography per stipulation set forth by the BLM or surface owner agreement.

Revegetation and reseeding will take place during the next designated season per BLM or surface owner's stipulations.

5. Location and Type of Water Supply:

a. Water will be obtained from UNOCAL's water supply well located at UNOCAL's Lowry Camp, (SW/4, Sec. 32-T27N-R6W). The water will be trucked to location utilizing vacuum trucks over existing roads.

6. Source of Construction Materials:

a. The proposed location will utilize soil material which is on location. No other material is anticipated.

b. The site and road lie on lands owned by the Federal Government and managed by the BLM.

7. Methods for Handling Waste Material:

a. Cuttings, salts, chemicals, drilling fluids, and test fluids will be contained in the reserve pit which will be fenced on three sides during drilling. (The fourth side will be fenced when the rig moves off.) The water will be allowed to evaporate and the remaining solids will be buried. Used motor oil will not be disposed of in the pit or on the location.

b. All sewage will be contained in a self-contained, chemically treated, portable latrine and disposed of at an authorized disposal site upon completion of operations. The latrine will remain on location through termination of completion operations.

c. Garbage and other waste material will be contained in and enclosed in a portable trash cage and disposed of at an authorized disposal site upon completion of operations. No garbage and trash will be disposed of in the reserve pit.

d. Produced fluids will be handled through the proposed production facilities. Produced water will be disposed of in accordance with NTL-2B.

8. Auxiliary Facilities:

a. No camps or airstrips will be needed.

9. Well Site Layout: (See Attachment Nos. 9, 10 and 11)

a. The well site layout is shown on the Attachments 9, 10 and 11 along with cross-sections, topographic features, and cut and fills.

b. The reserve pit will not be lined (per on-site with BLM Representative on 12/20/93) unless porous material is encountered during the construction of the reserve pit. If such material is encountered the BLM will be contacted for a determination to line the pit. The reserve pit will be step-down if necessary to place the pit in cut (per on-site 12/20/93).

c. All persons working in the area and associated with the project will be informed that they are subject to prosecution for knowingly disturbing historic and/or archaeological sites or for collecting artifacts. If historical or archaeological materials are uncovered, work will be stopped and an authorized officer will be informed.

10. Plans for Restoration of the Surface:

a. Construction Practices:

(1) If snow is on the location, it will be removed from the location prior to construction and stockpiled separately from the top soil, downhill from the existing road.

(2) The top 12" of topsoil (if available) will be removed from this disturbed area and stockpiled as shown in Attachment 9.

(3) The backslope and foreslope will be constructed no steeper than 3:1. Vegetative debris will not be put in or under fill embankments.

(4) A waterbar will be constructed at the top of the foreslope.

(5) Rat and mouse holes will be filled immediately upon release of the drilling rig from the location.

(6) Drill cuttings and muds should remain in the reserve put until dry. The reserve pit will not be "squeezed," "crowded," or "cut." When the pit is backfilled, cuttings and drilling muds must be covered with at least 3 feet of earth.

(7) If the reserve pit does not dry, alternative methods of drying, removal of fluids, or other treatment shall be developed. If fluids will be disposed of by a method other than evaporation, prior approval by BLM is required.

(8) Weed control of disturbed areas will be handled by Union Oil Company in accordance with guidelines established by the appropriate authorities.

(9) No snow will be removed except for on traveled roads or the drill site.

(10) Construction will not take place using frozen material or during periods when the soil material is saturated, or when watershed damage is likely to occur.

(11) The reserve pit will be fenced on three sides during drilling, and the fourth side will be fenced at the time the rig is removed. Wire will be held in place by line posts and wooden corner "H" braces. The pit will be flagged overhead if there is oil in the pit.

(12) Construct the reserve pit in complete cut with the total depth below the original ground surface at the lowest point within the pit. Design the reserve pit to prevent the collection of surface runoff. The reserve pit will be step-down if necessary to place the pit in cut (per on-site 12/20/93).

(13) All disturbed areas of the wellsite not needed for the production pad will be ripped prior to reshaping at 18-24 inch intervals on the contour.

(14) During reclamation the fill material will be pushed into the cuts and up over the backslope. No depressions capable of trapping water or forming ponds will remain in the area.

(15) The top soil will be distributed evenly over the area. The seed bed will be prepared by disking to a depth of 4 to 6 inches following the contour. This work will not be done when the ground or topsoil is frozen or wet.

(16) Seeding depth will be 1/2" to 3/4" using a drill equipped with a depth regulator. Where drilling is not possible (too steep or rocky), seed will be broadcast at double the specified rate and the area will be raked or chained.

(17) All disturbed surfaces will be seeded with the following mixture: Special Antelope or Ensenada mix as per BLM recommendations.

b. Pipelines/Flow Lines/Overhead Lines:

(1) If the well is productive, a flow line will be installed as shown on Attachment 8. This flow line will tie into an existing flow line located approximately 330' Southwest of the wellhead.

(2) Pipelines will be constructed adjacent to roads or paralleling existing rights-of-way, where feasible. Changes in pipeline routes that require R.O.W.,surveying, archaeological clearance, etc. will be filed under a separate permit to the BLM for approval.

11. Land Status:

A. The surface is owned by the Federal Government and administered by the BLM.

12. Other Information:

A. The closest water is the Carrizo Canyon Arroyo approximately 4 miles to the NE.

B. There are no occupied dwellings within 2 miles of location.

C. Archaeological Survey has been performed and has been sent under separate cover.

D. Pipeline ROW and permitting (if necessary) will be determined and permitted at a later date.

E. Construction operations (building pads and locations) are planned on or about March 15 - April 1, 1994, weather permitting and with BLM approval. Drilling operations should start immediately after, again weather permitting.

13. Operator's Field Representative and Certification:

A. Field Representative:

Mr. Jim B. Benson
Drilling Superintendent
Union Oil Company of California
P. O. Box 2620
Casper, Wyoming 82602

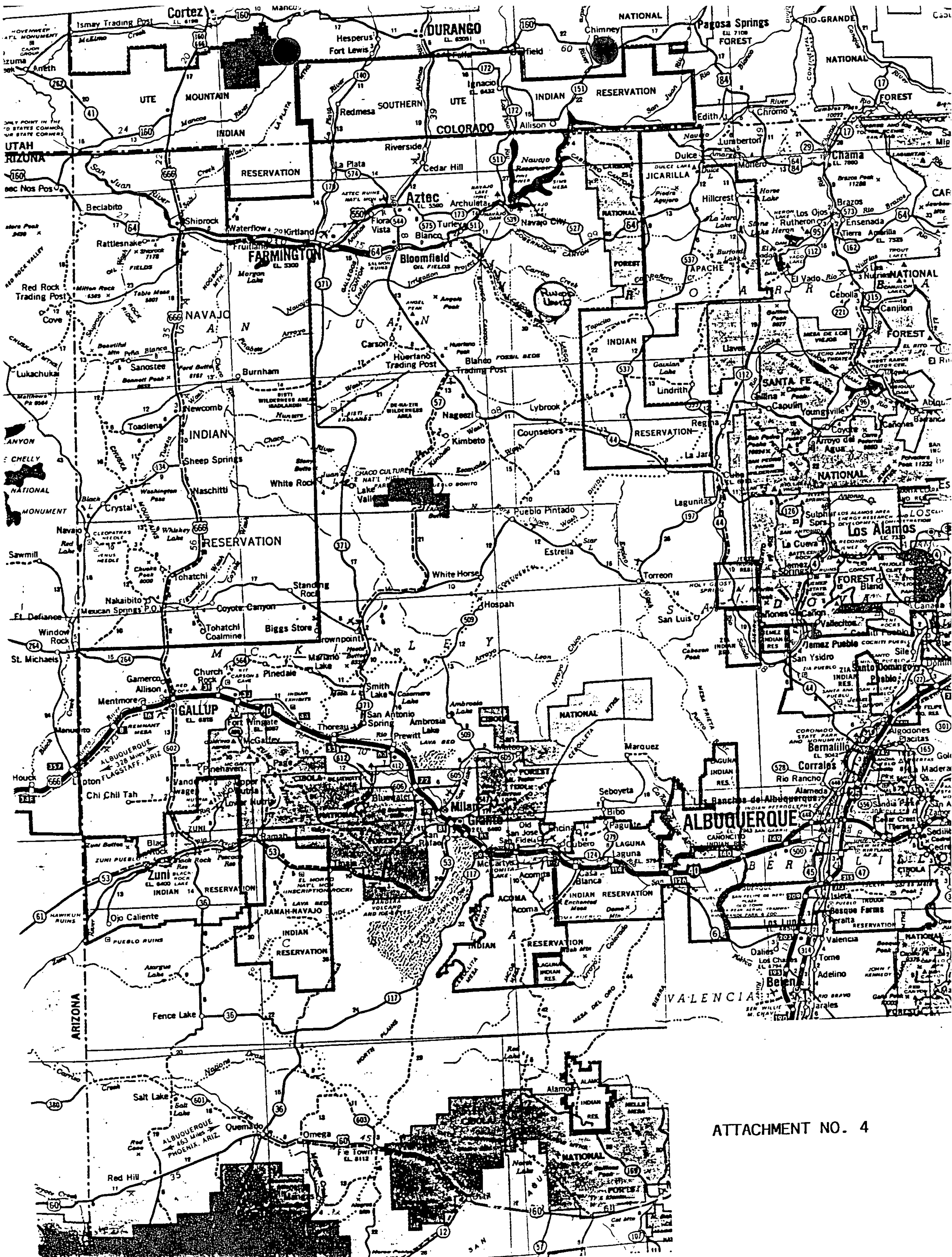
Phone - (307) 234-1563, ext. 116
Fax - (307) 234-9441

B. Certification:

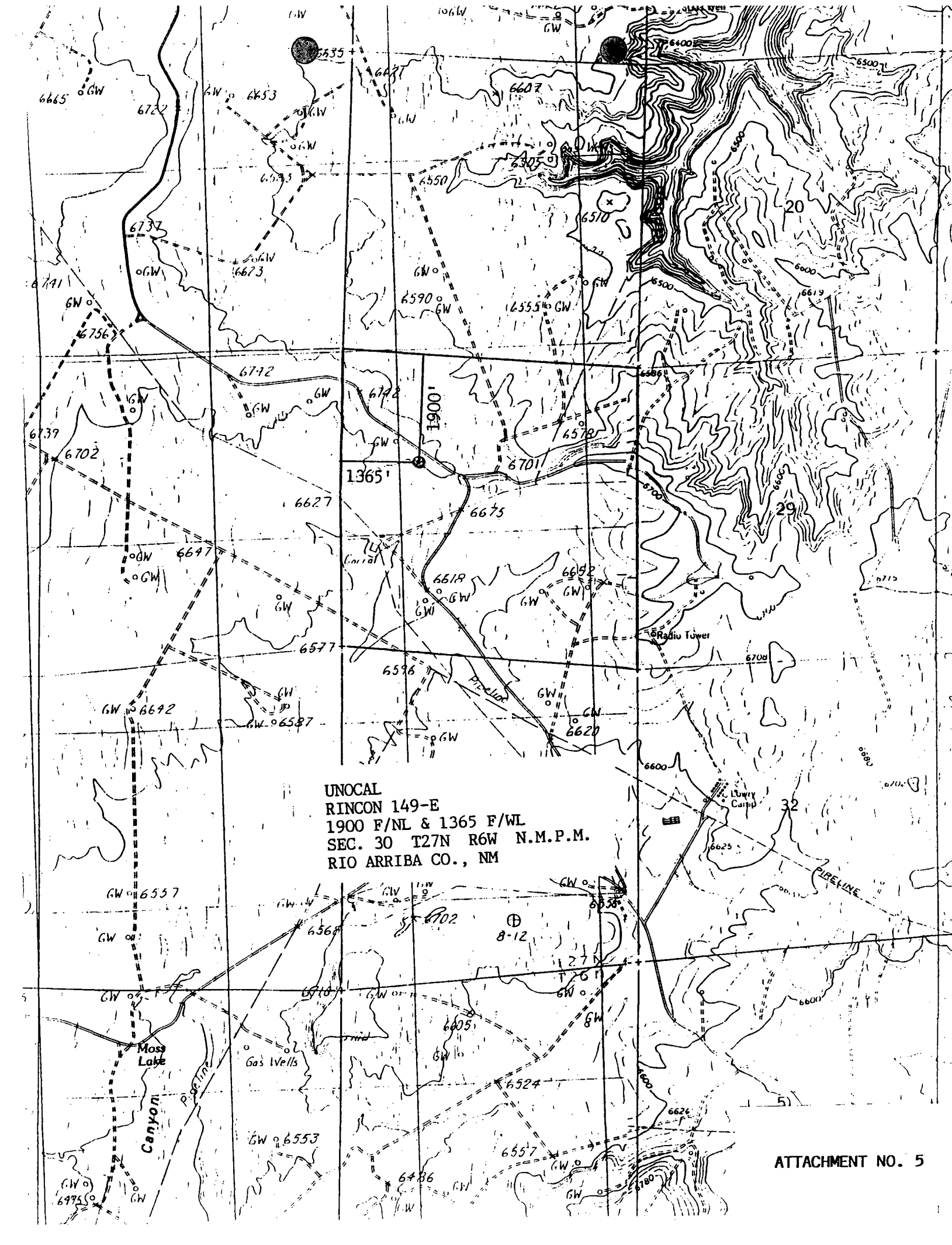
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Union Oil Company of California and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

3/30/94
Date

Jim B. Benson
Drilling Superintendent



ATTACHMENT NO. 4



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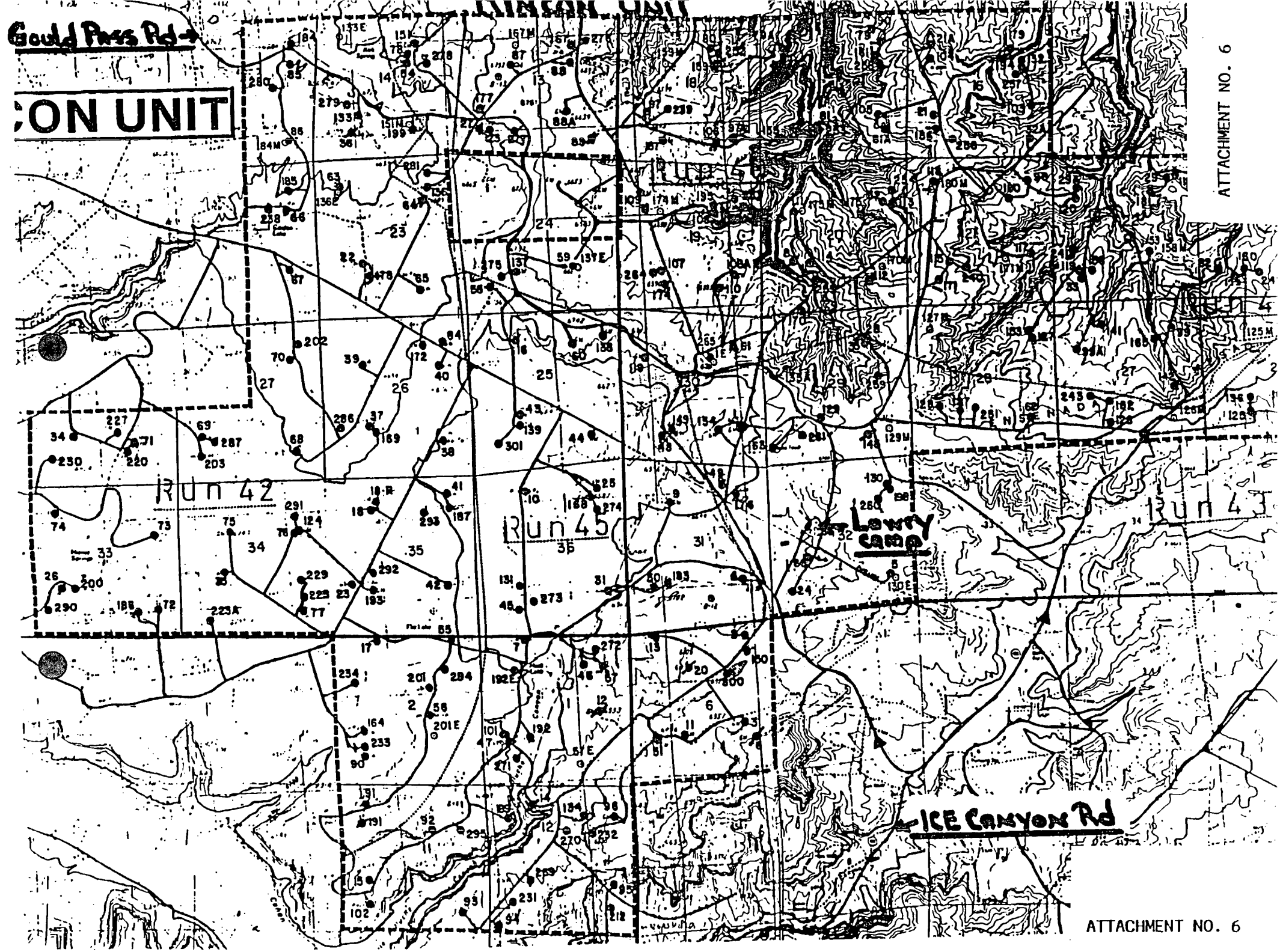

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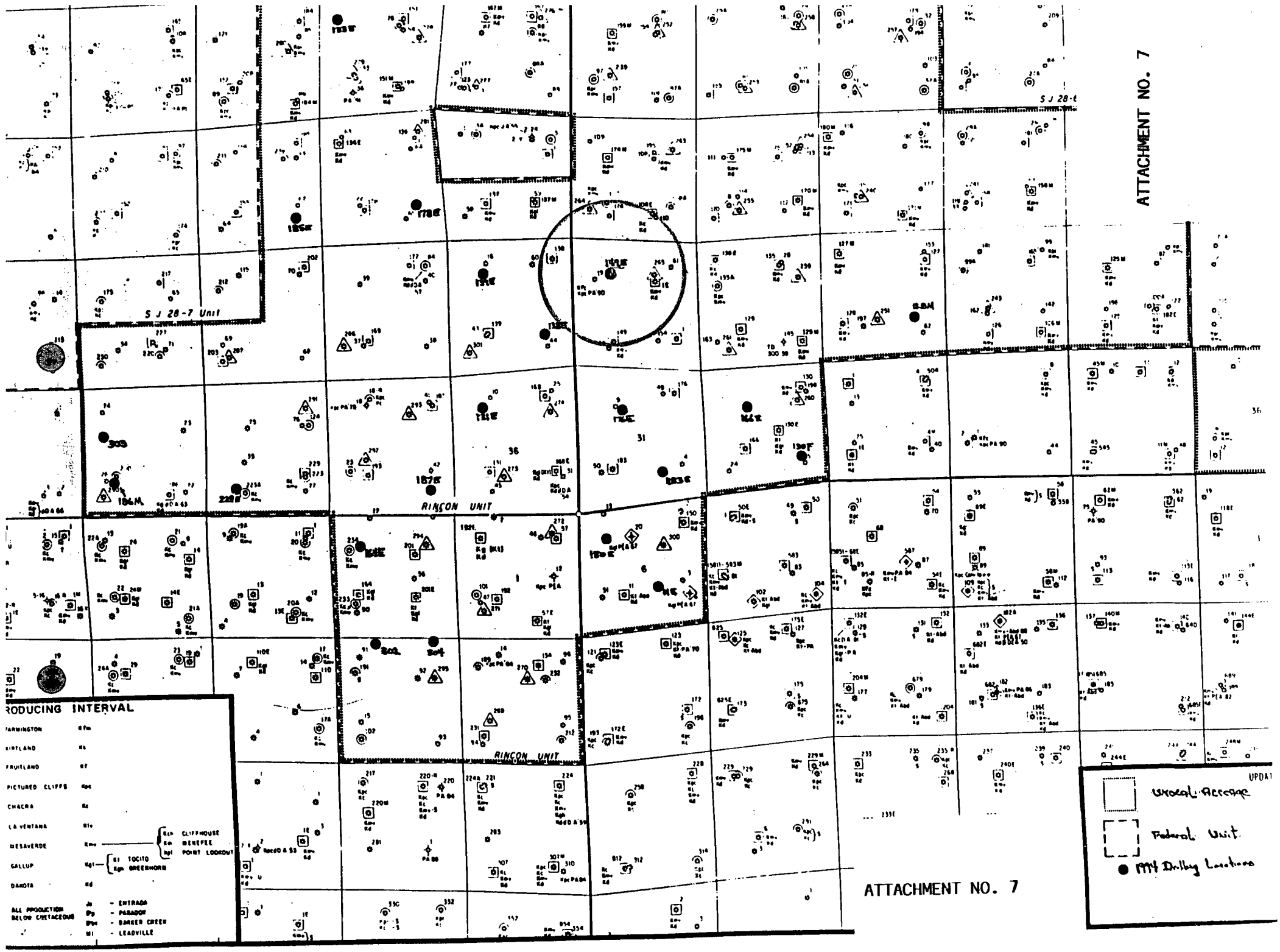
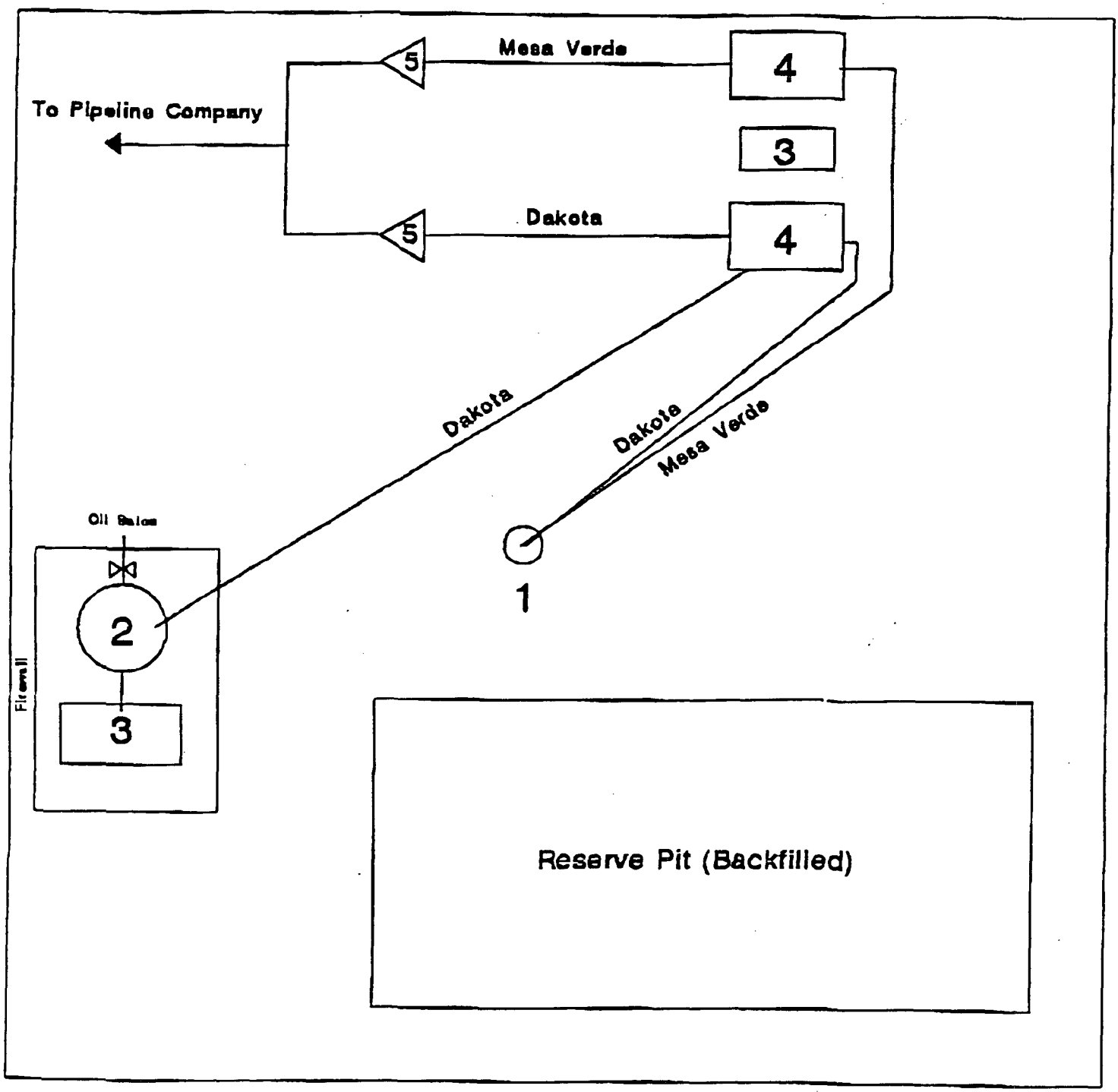

ATTACHMENT NO. 7
S J 28-7 Unit
RINCON UNIT
RINCON UNIT
S J 28-
RODUCING INTERVAL
FARMINGTON
KIRTLAND
FRUITLAND
PICTURED CLIFFS
CHACRA
LA VENTANA
MESAVERDE
CLIFFHOUSE
MENEFEE
POINT LOOKOUT
GALLUP
TOCITO
GREENHORN
DAKOTA
ALL PRODUCTION BELOW CRETACEOUS
- ENTRADA
- PARADOX
- BARKER CREEK
- LEADVILLE
UPDAT
Unocal Acreage
Federal Unit
1994 Drilling Locations
ATTACHMENT NO. 7

UNION OIL COMPANY OF CALIFORNIA
RINCON UNIT WELLS
RINCON FIELD
RIO ARRIBA COUNTY, NEW MEXICO

PRODUCTION FACILITIES SCHEMATIC
TYPICAL DUAL MESA VERDE/DAKOTA PRODUCER



1. Wellhead
2. 400 BBL Welded Steel Tank API 12F
3. Double lined Production pits w/ Leak Detection
4. Separator/Dehydrator Skid
5. Meter Run w/ Meter House (Gas Sales)

⋈ Sealed Load Line (Oil Sales)

: to Scale

ATTACHMENT NO. 8

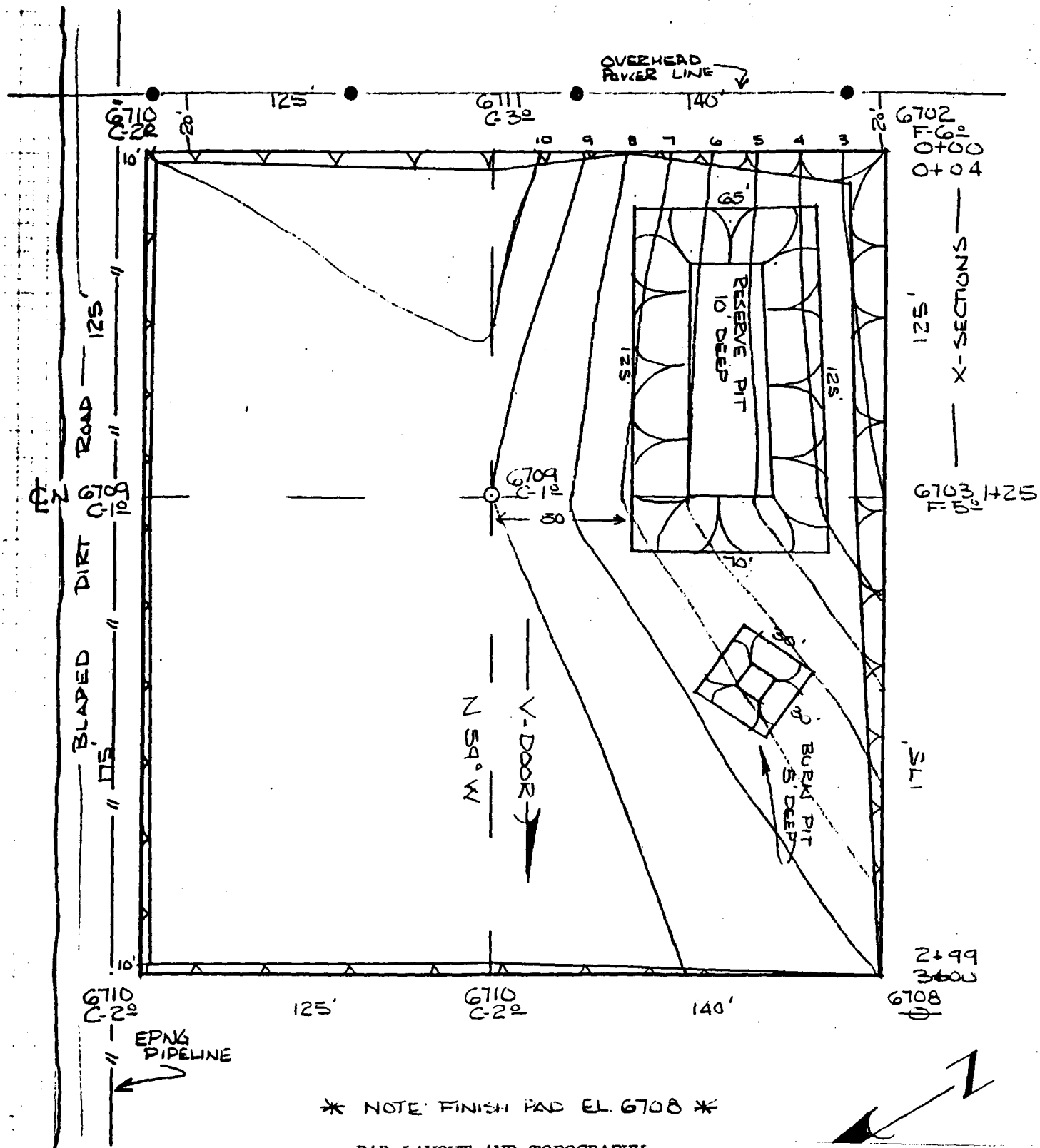
UNOCAL

Scale 1" = 50'

RINCON 149-E
1900 F/NL & 1365 F/WL
Sec. 30 T27N R6W N.M.P.M.
Rio Arriba Co., NM

Contour Int. = 1'

NOTE; FINISH ELEV. 6708



* NOTE: FINISH PAD EL. 6708 *

PAD LAYOUT AND TOPOGRAPHY

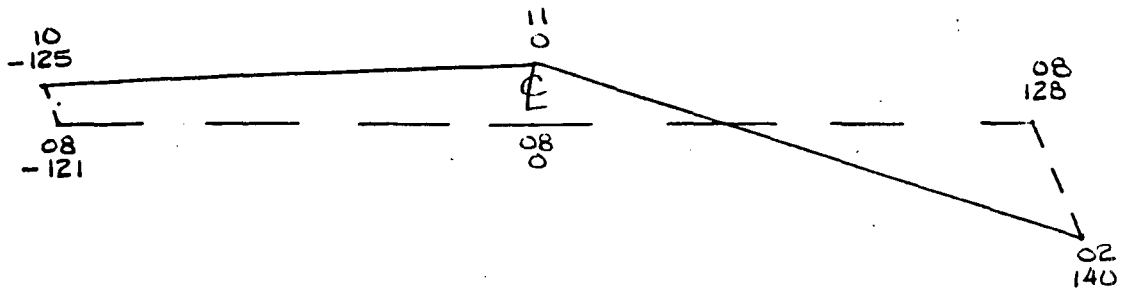
ATTACHMENT NO. 9

UNOCAL

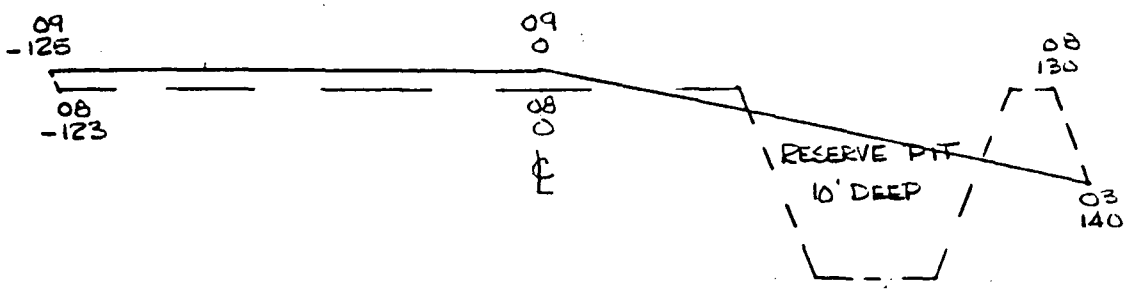
Scale: Horz. 1" = 50'
Vert. 1" = 10'

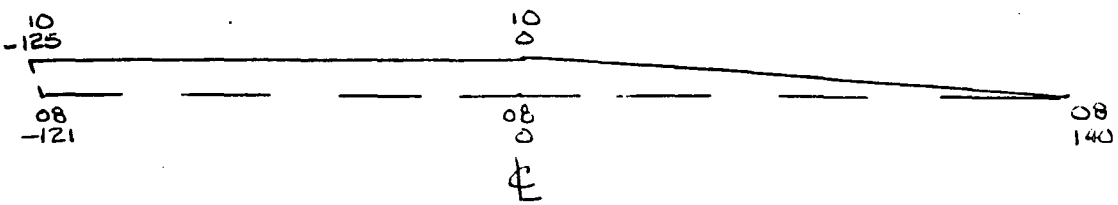
RINCON 149-E

0+00 ZERO CUT/FILL



X-SECTION AND VOLUMES





3+00 ZERO CUT/FILL

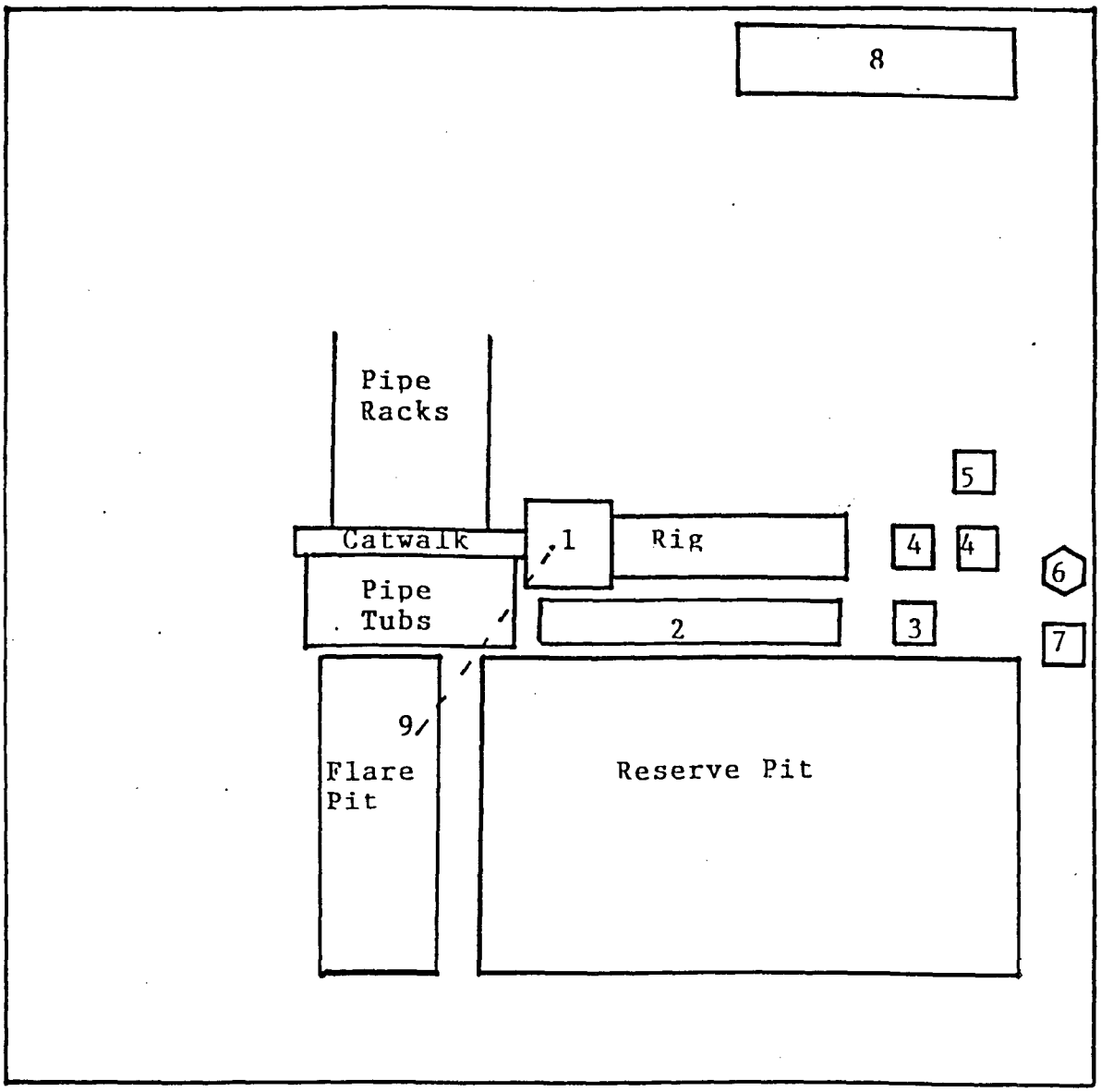
CUT.....2868 CU YDS.
FILL.....2022 CU YDS.
PIT EXCAVATION.....1921 CU YDS.

ATTACHMENT NO. 10

UNION OIL COMPANY OF CALIFORNIA
RINCON UNIT WELLS
RINCON FIELD
RIO ARRIBA COUNTY, NEW MEXICO

Drill Pad Schematic

Not to scale



1) Substructure & Doghouse
2) Steel Mud Tank
3) Mud trailer/supply
4) Mud Pump
5) Generator
6) Latrine
7) Trash Cage
8) Trailer (variable numbers)
9) Blooie Line

ATTACHMENT NO. 11

Mike Stogner

From: Ernie Busch
To: Mike Stogner
Subject: UNOCAL (NSL)
Date: Tue, Jul 12, 1994 9:34AM

WELL NAME: RINCON #149E
LOCATION: F-30-27N-06W
FOOTAGE: 1900' FNL; 1365' FWL
RECOMMEND: APPROVAL

Sec : 30 Twp : 27N Rng : 06W Section Type : NORMAL

3 39.78 Federal owned	K 40.00 Federal owned	J 40.00 Federal owned	I 40.00 Federal owned A
4 39.81 Federal owned	N 40.00 Federal owned A A	O 40.00 Federal owned A	P 40.00 Federal owned

39.73
39.76
79.49
39.78
119.27
39.81
159.08
16
319.08

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

07/22/94 10:22:17
OGOMES -EMFR
PAGE NO: 1

Sec : 30 Twp : 27N Rng : 06W Section Type : NORMAL

1 39.73 Federal owned	C 40.00 Federal owned	B 40.00 Federal owned	A 40.00 Federal owned A
2 39.76 Federal owned A	F 40.00 Federal owned A	G 40.00 Federal owned A A	H 40.00 Federal owned

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12