



State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

JIM BACA
COMMISSIONER

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

February 21, 1992

UNOCAL Oil & Gas Division
3300 North Butler Avenue, Suite 200
Farmington, New Mexico 87401

Attn: Mr. Glen O. Papp

Re: Approval Request for Central Metering
Rincon Unit Lateral No. 2
Rio Arriba County, New Mexico

Dear Mr. Papp:

Reference is made to your application letter of September 5, 1991, which has been forwarded to us for our approval by Mr. Bill Carr. Your application requests approval to build a gas gathering system, Rincon Unit Lateral #2, and deliver existing conventional gas through a central metering facility.

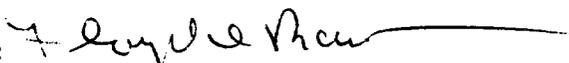
According to the information provided, the proposed Rincon Unit Lateral #2 will gather gas from 12 conventional gas wells of which the Well Nos. 31(PC), 45(PC) and 131(DK) are located on State Lease No. E-290. The remaining wells are located on Federal lands. It is our understanding that the wells to be connected to the proposed system are all within established participating areas, and the royalty ownership in all formations within a given tract is identical. In addition, it is also our understanding that Unocal is in the process of seeking approval of this application and the allocation formula from the Bureau of Land Management.

The Commissioner of Public Lands has this date granted approval to your proposed request. Please be advised that any deviation from your proposed request will be grounds to rescind our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791. Your Thirty (\$30.00) Dollar filing fee has been received.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744

JB/FOP/pm

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