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NOIVISION

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June 26, 1992

Farmington District

New Mexico Oil Conservation Division 310 Old Santa Fe Trail, Box 2088 Santa Fe, NM 87504-2088

Attn: David Catanach

SUBJECT:

Supplemental Information for Requested Approval for Surface Commingling, Exception To Rule 303-A Rincon Unit Lateral #1 Rio Arriba County, New Mexico

The following information was inadvertently left out of the request dated June 26, 1992 for surface commingling of the gas production at the proposed Rincon Unit Lateral #1. Include this information, as well as the attached Exhibit No. 7.

Unocal will have a tank at the central delivery point to collect liquids dropped out in the separators and scrubbers. Unocal does not expect to recover marketable quantities of hydrocarbon liquids from the commingled gas. However, should the site begin to recover significant liquid volumes, Unocal will allocate the volumes as per Exhibit No. 7.

Should you have any questions or need any additional information to process this request, please feel free to contact me at the above letterhead address or phone.

Very truly yours,

Union Oil Company of California

dba Unocal

Glen O. Papp

District Production Engineer

pmh:lat1a

Attachment

cc:NMOCD Aztec Office--Frank Chavez

EXHIBIT #7

ALLOCATION CALCULATIONS FOR LIQUIDS RECOVERED AT CENTRAL COMPRESSOR SITE

LATERAL #1

1) Liquids Allocation Factor (LAF):

Liquids Recorded IN CDP Tanks; MCF/MO

LAF =

28

Liquids Recovered In Well Site Tanks, MCF/MO

2) Allocation To Individual Wells:

WELL	#	Integrated Individual Meter Volume (MCF/MO)	Monthly LAF	Allotted Volumes (MCF/MO)
29	– MV	Vol.1	LAF	Vol.1 X LAF
33	– MV	Vol.2	LAF	Vol.2 X LAF
82	– MV	Vol.3	LAF	Vol.3 X LAF
82A	– MV	Vol.4	LAF	Vol.4 X LAF
83	– MV	Vol.5	LAF	Vol.5 X LAF
83A	– MV	Vol.6	LAF	Vol.6 X LAF
99	– MV	Vol.7	LAF	Vol.7 X LAF
99A	– MV	Vol.8	LAF	Vol.8 X LAF
100	- MV	Vol.9	LAF	Vol.9 X LAF
100A	– MV	Vol.10	LAF	Vol.10 X LAF
125	– DK	Vol.11	LAF	Vol.11 X LAF
125	- MV	Vol.12	LAF	Vol.12 X LAF
* 125M	- DK	v Vol.13	LAF	Vol.13 X LAF
* 125M	– MV	Vol.14	LAF	Vol.14 X LAF
* 126M	– DK	Vol.15	LAF	Vol.15 X LAF
* 126M	– MV	Vol.16	LAF	Vol.16 X LAF
127	– DK	Vol.17	LAF	Vol.17 X LAF
127	– MV	Vol.18	LAF	Vol.18 X LAF
146	– DK	Vol.19	LAF	Vol.19 X LAF
* 146E	– DK	Vol.20	LAF	Vol.20 X LAF
* 158M	– DK	Vol.21	LAF	Vol.21 X LAF
* 158M	– MV	Vol.22	LAF	Vol.22 X LAF
165	– DK	Vol.23	LAF	Vol.23 X LAF
* 171M	– DK	Vol.24	LAF	Vol.24 X LAF
* 171M	– MV	Vol.25	LAF	Vol.25 X LAF
173	– DK	Vol.26	LAF	Vol.26 X LAF
181	– DK	Vol.27	LAF	Vol.27 X LAF
182	– DK	Vol.28	LAF	Vol.28 X LAF

^{*} PROPOSED WELLS

The nine Pictured Cliffs Wells do not make hydrocarbon liquids, and therefore they are excluded from sharing in the liquids recovered at the compressor site.