RECEASE 8.30.93

Unocal Oil & Gas Division Unocal Corporation 3300 North Butler Avenue Suite 200 Farmington, New Mexico 87401 Telephone (505) 326-7600 Fax: (505) 326-6145



August 4, 1993

CERTIFIED RETURN RECEIPT REQUESTED

Farmington District

.,

New Mexico Oil Conservation Division Attn: Mr. William J. LeMay P.O. Box 2088 Santa Fe, New Mexico 87504-2088

New Mexico Oil Conservation Division Attn: Mr. Frank Chavez 1000 Rio Brazos Road Aztec, New Mexico 87410

Dear Sirs:

Union Oil Company of California (UNOCAL) requests permission to downhole commingle production from the Blanco Mesaverde and Basin Dakota formations in the following well:

Rincon Unit No. 126M 810' FSL, 1175' FEL Section 27, T27N, R6W Rio Arriba County, New Mexico

As provided by Order No. R-9893, administrative approval may be granted without notice and hearing.

As required for an exception to rule 303-A, the following information is attached:

- 1. An acreage dedication plat showing offset lease ownership.
- 2. A Form C-116 showing current productivity from each zone.
- 3. A wellbore diagram with completion detail.
- 4. A bottomhole pressure from each zone and a calculated adjustment to a common datum.
- 5. Gas analyses from each zone.
- 6. An allocation formula for commingled production.
- 7. A copy of the notification letter sent to all offset operators and the Bureau of Land Management.

DE CORSERVE AED BIVISION

The Blanco Mesaverde formation is uneconomic to drill as a stand alone well. To develop these reserves, a dual or commingled completion is required. We estimate an ultimate recovery of approximately 750 MMCF from the Mesaverde horizon, which would otherwise remain undeveloped. Also, commingling will allow for better lift of liquids production and benefits from compression.

Both zones produce essentially dry gas. Therefore, the respective formation fluids are compatible. Also, no crossflow will occur between the commingled zones.

If you have any questions, please contact Dana Delventhal at (505)326-7600. Thank you for your consideration in this matter.

Sincerely,

Union Oil Company of California dba UNOCAL

Glen O. Papp

Field Superintendent

Attachments

OFFSET LEASE OWNERSHIP

R 6 W

23	26	3547 3547 3 5
8	RINCON UNIT #126M	SF079210 3547
2	28	3547 3 3

T 27 N

Revised 1/1/89 Form C-116

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

Submit 2 copies to Appropriate

District Office.

_		
Ŀ		4
Þ	4	ď
ų	,	2
r		7
Ł	۰	٠
E		4
F		•
_		
C		3
2	=	4
5	_	7
۰		4
•	_	4
•	q	С
_	ĺ.	7
С	1	
	•	٦
۰	•	1
-		٠
r		١
٠		,
	•	
7	ø	•
¥	٧.	4
4	4	٩
_	1	٧
7	,	٦

Operator						8						<u>ა</u>	County			
Union Oil Company of California	fornia				B16	Blanco Mesaverde/Basin Dakota	erde	/Basin	Dakota	3			Rio 4	Rio Arriba		
Address							TYPEOF	<u>_</u>			•	•	[Ć		Г
3300 N. Butler, Suite 200, Farmington, NM 87401	. Farm	ingto	n. Mr	f 87,	401		ESI -	- 8	Scheduled]	ა	Completion	┫	7	Special	7
	WELL	•	LOCATION	NOL		DATE OF	SUI	CHOKE	TBG.	DAILY	LENGTH	Æ	1 ()1	NG TEST		GAS - OIL
LEASE NAME	Ö.	ח		۲	α	TEST	ATZ	SIZE	PRESS.	ALLOW-	TEST HOURS	WATER BBLS.	GRAV. OIL	OIL BBLS.	GAS M.C.F.	CU.FT/BBL.
Rincon Unit	126М	P	27	27N	м9											
Blanco Mesaverde						11/10/92	<u></u>	16/64"	250		24	4		0	234	
Basin Dakota						11/19/92	F1	18/64"	280		24	11		þ	217]
•																
1							1				or view	Tify that	the ab	ove infe	rmation	1 berehv certify that the above information is true and

INSTRUCTIONS:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in

order that well can be assigned increased allowables when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

complete to the best of my knowledge and belief. Signature

Glen 0. Papp Printed name and title

Field Superintendent

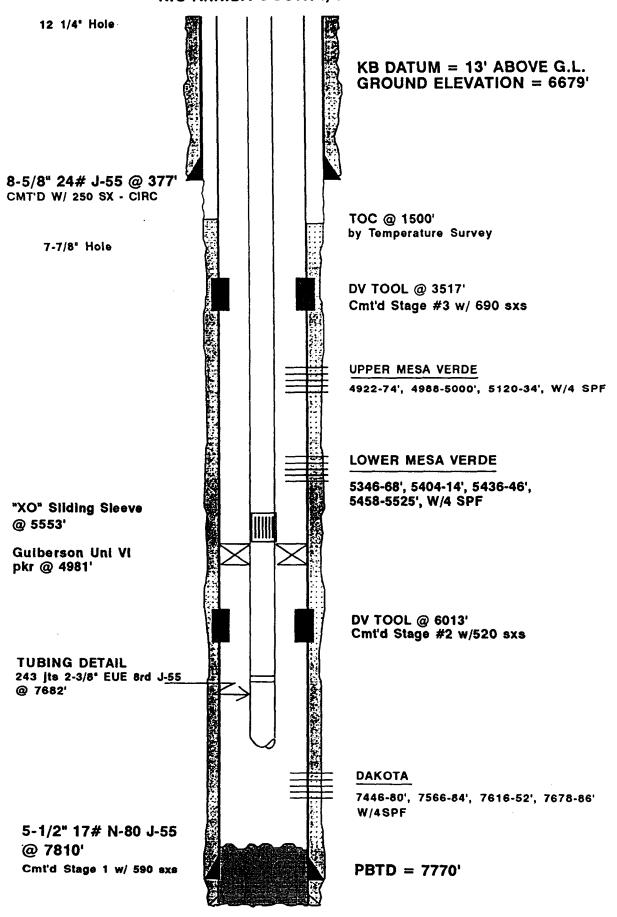
August 5, 1993

(505) 326-7600

Date

Telephone No.

RINCO: JNIT NO. 126-M 810' FSL, 1175' FEL SEC 27 T27N R6W RIO ARRIBA COUNTY, NM



TD @ 7810'

B & R SERVICE, INC.

P. O. Box 1048 Farmington, New Mexico 87499 (505) 325-2393

Casing Pressure		Casing Perf
DEPTH	PSIG	GRADIENT
0	429	
1000	442	.013
2000	456	.014
3000	468	.012
4000	480	.012
5000	544	.064
6000	967	.423

1397

1565

1637

7000

7400

7566

.428

.420

.434

B & R SERVICE , INC. P.O. BOX 101,8 FARMINGTON, N.M.

FLUID LEVEL SURVEY

COMPANY: UNOCAL_C	UNOCAL CORPORATION				3	CCUNTY:	RIO ARRIBA	IBA	
FIELD: RINCON			DATE:				STATE:	N. MEX.	
LEASE AND WELL NO.	LOCATION	1 I ME	ELEV.	DATUM	CASING	JOINTS	FEET TO	FLUID	PRESSURE AT
					PS 1 G	FLUID	FLUID	DATUM	DATUM .
10/30/92 RINCON 158 M				MID PERE	770	011	3432,	, LOO 1	5159 1821
				MID PERF.	0.50	777			I
11/01/92 RINCON 151 M				5211,	750	130	4108	1103	1228 7519
M 171 NOONTO 60/80/11				4992'			4158	125,	394 136
				MID PERF	238	72.			
12/17/92 RINCON 184 M				5127	965	105	3308'	1819,	१७६३ हेडाद
				MID PERF.					
12/19/92 RINCON 136 E				4845	009	118	3729	1116	1139 1214
12/19/92 RINCON 127 M				MID PERE. 5080'	610	153	4835	, 542	TIL PSIG
				MID PERF.					(
12/22/92 RINCON 125 M				,1129	480	154	4885,	395	789 PS16
TO ! MODIFIED				WID PERF.	007		•		
12/22/92 KINCON 13/ E				,21L9	1120	205	(SOLO)	Ō	bich 9211
				MD PERF.	,				
//15/93 RINCON 126 M				,h22S	780	155	4848	326'	9164 124
				MD PERF.				•	
12/4/92 RINCON 168 E				(ele08)	1020	203	SIFO	193,	1104 PSIG

AVERAGE TUBING LENGTH: REMARKS:

RINCON UNIT NO. 126 M

After a 7 day SI period:

Mesaverde BHP = 921 psi @ 5224'

Dakota BHP = 1637 psi @ 7566'

Gas Gradient = 0.013 psi/ft

Adjusting to a common datum of 5224':

Mesaverde BHP = 921 psi

Dakota BHP = 1637 - [(0.013)(7566 - 5224)] = 1607 psi

Therefore the reservoir pressures fall within the 50% requirement.



WELL ANALYSIS COMPARISON

LEASE: RINCON 126M

NOVEMBER 22, 1992

DATE:

11/10/92 11/18/92

NO.:

20034 20035 MESAVERDE DAKOTA

	MOLE %	MOLE %
NITROGEN CO2 METHANE ETHANE PROPANE I-BUTANE N-BUTANE	0.360 0.932 84.567 8.160 3.830 0.633 0.897	0.222 1.205 91.573 4.621 1.222 0.287 0.306
I-PENTANE N-PENTANE HEXANE+ BTU'S	0.260 0.170 0.191 1178.1	0.166 0.100 0.298
GPM SPEC GRAV	3.9682	1.9902

RINCON UNIT NO. 126 M ALLOCATION FORMULA

GAS PRODUCTION:

Mesaverde Rate

234 MCFD

Dakota Rate

217 MCFD

Total Rate

451 MCFD

Therefore,

Mesaverde

52%

Dakota

48%

OIL PRODUCTION:

Mesaverde Rate

0 BOPD

Dakota Rate

0 BOPD

Total Rate

0 BOPD

Therefore,

Mesaverde

50%

Dakota

50%

Unocal Oil & Gas Division Unocal Corporation 3300 North Butler Avenue Suite 200 Farmington, New Mexico 87401 Telephone (505) 326-7600 Fax: (505) 326-6145

UNOCAL 76

August 4, 1993

Farmington District

United States Department of the Interior Bureau of Land Management 1235 La Plata Highway Farmington, New Mexico 87401

Dear Sirs:

Union Oil Company of California (UNOCAL) has requested permission from the New Mexico Oil Conservation Division to downhole commingle production from the Blanco Mesaverde and Basin Dakota formations in the following well:

Rincon Unit No. 126 M 810' FSL, 1175' FEL Section 27, T27N, R6W Rio Arriba County, New Mexico

If you have any objections to this proposal, please notify the NMOCD within twenty (20) days. If you have any questions about this application, please contact Dana Delventhal at (505)326-7600.

Sincerely,

Union Oil Company of California dba UNOCAL

Glen O. Papp

Field Superintendent

Unocal Oil & Gas Division Unocal Corporation 3300 North Butler Avenue Suite 200 Farmington, New Mexico 87401 Telephone (505) 326-7600 Fax: (505) 326-6145

UNOCAL 76

August 4, 1993

Farmington District

Meridian Oil Production Inc. P.O. Box 4289 Farmington, New Mexico 87499

Dear Sirs:

Union Oil Company of California (UNOCAL) has requested permission from the New Mexico Oil Conservation Division to downhole commingle production from the Blanco Mesaverde and Basin Dakota formations in the following well:

Rincon Unit No. 126 M 810' FSL, 1175' FEL Section 27, T27N, R6W Rio Arriba County, New Mexico

If you have any objections to this proposal, please notify the NMOCD within twenty (20) days. If you have any questions about this application, please contact Dana Delventhal at (505)326-7600.

Sincerely,

Union Oil Company of California dba_UNOCAL

Glen O. Papp

Field Superintendent

Unocal Oil & Gas Division Unocal Corporation 3300 North Butler Avenue Suite 200 Farmington, New Mexico 87401 Telephone (505) 326-7600 Fax: (505) 326-6145



August 4, 1993

Farmington District

Caulkins Oil Company 310 North First Bloomfield, New Mexico 87413

Dear Sirs:

Union Oil Company of California (UNOCAL) has requested permission from the New Mexico Oil Conservation Division to downhole commingle production from the Blanco Mesaverde and Basin Dakota formations in the following well:

Rincon Unit No. 126 M 810' FSL, 1175' FEL Section 27, T27N, R6W Rio Arriba County, New Mexico

If you have any objections to this proposal, please notify the NMOCD within twenty (20) days. If you have any questions about this application, please contact Dana Delventhal at (505)326-7600.

Sincerely,

Union Oil Company of California dba UNOCAL

Glen O. Papp

Field Superintendent