

NEW MEXICO OIL CONSERVATION DIVISION
RECEIVED

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Unocal Oil & Gas Division
Unocal Corporation
913 West Broadway, P.O. Box 850
Bloomfield, New Mexico 87413
Telephone (505) 632-1811

DNC 5-7-96



Tuesday, April 16, 1996

Certified Receipt No. Z 407 288 666

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

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

Dear Mr. Chavez:

Union Oil Company of California d.b.a. UNOCAL requests approval to down-hole commingle hydrocarbon production from the Blanco Mesa Verde and Basin Dakota formations in the following Rincon Unit well, Rio Arriba County, New Mexico.

Well	Legal Location
203	990' FSL, 890' FWL, S27, T27N, R7W

a UNOCAL operated well located on Federal acreage.

This well was drilled and completed, with 4-1/2" casing, in January, 1974 in the Dakota formation. The Dakota is currently producing 90 Mcfd gas and a trace of oil. UNOCAL proposes to perforate, stimulate with a hydraulic fracture and isolate and test (w/ a production packer and 2-3/8" tubing) oil, gas and water production from the Mesa Verde formation. If production from the Mesa Verde is deemed economical, the Mesa Verde would be downhole commingled with the

Dakota. Allocation factors will be calculated from the Mesa Verde test and the Dakota's historical production.

Mesa Verde reserves in this acreage would be developed most economically if this well were granted downhole commingle approval. Approval prior to completion is being sought because production casing size will not support running of dual production strings. Drilling a replacement well of larger casing size or a stand alone Mesa Verde well is not economical at this time.

One week shut-in surface pressures from off-set Mesa Verde wells were obtained in October, 1995 as follows-

<u>WELL</u>	<u>Location</u>	<u>SICP (psig)</u>
124 MV	NE, S34, T27N, R7W	495
203 DK	SW, S27, T27N, R7W	340

UNOCAL is confident that production will not be wasted and the proposed method of completion will efficiently drain Dakota and Mesa Verde acreage around this wellbore. Royalty interests between zones are identical.

Attachments:

- 1) Current well bore schematic.
- 2) Oil and gas production curves.
- 3) Lease map showing well locations for offset pressure data and offset lease operators.
- 4) Letters to offset operators stating UNOCAL's proposal.

If you have any questions regarding this proposal please contact me at (505) 632 - 1811 #14.

Sincerely,

Union Oil Company of California
d.b.a. UNOCAL

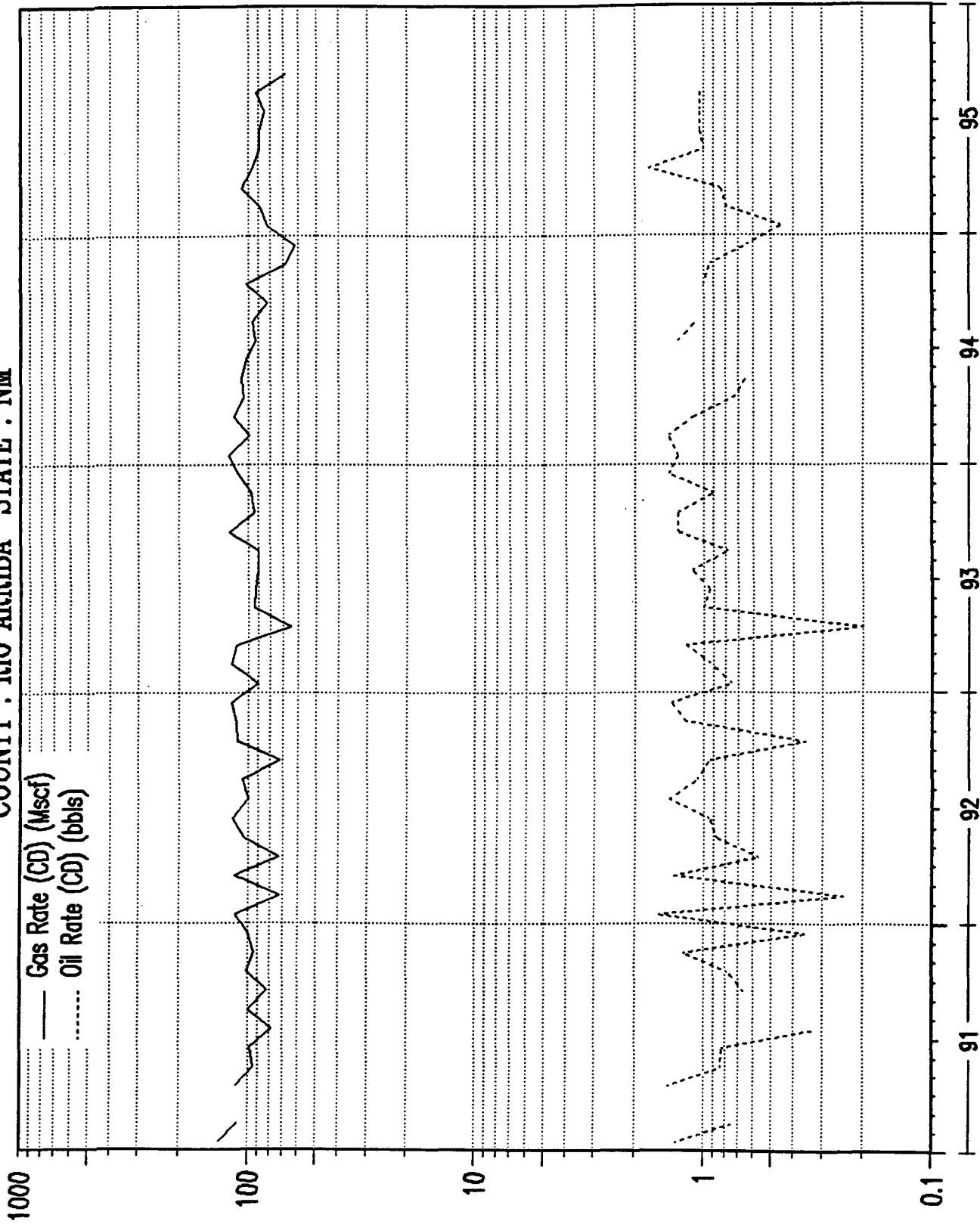

Brett H. Liggett
Production Engineer

UNOCAL, RINCON UNIT, T27N R7W

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24 OPERATOR: MERIDIAN OIL CO.
30	29	28	27	26	25
31	32	33	34 124 124	35	36 168E

UNIT BOUNDARY

WELL: RINCON UNIT 203:DK
SECTION : 27 TOWN : 27N RANGE : 07W
COUNTY : RIO ARriba STATE : NM



UNOCAL
ROCKY MOUNTAIN ASSET GROUP

(4)

WELL: RINCON UNIT #203

LOCATION: 990' FSL 890' FWL Sec. 27 T27N R7W SW SW

COUNTY: Rio Arriba

STATE: NM

PRODUCING FORMATION: Dakota

SPUD DATE: 11/29/73

COMPL DATE: 1/24/74

RECOMPL DATE: -----

Elevation = 6672'

KB = 10'

Updated: 1/4/96

By: H. Dahlgren

9-5/8", 32.3# H-40 @ 233'
Cmt w/ 190 sxs, Circ. to Surface

TOC
@ 1525'
by TS

DV Tool
@ 3212'

DV Tool
@ 5526'

PBTD
@ 7556'

242 Jts., 2-3/8" 8rd, 4.7# J-55 FHD @ 7540'
(1/11/74)

.70' Baker Expendable Check
30.90' 1 jt., 2 3/8" 4.7# J-55 8rd tbg
.80' Pump SN
7497.16' 241 jts., 2 3/8" 4.7# J-55 8rd tbg
7529.56' Total
10.00' BKDB
7539.56' FHD

Dakota perms: 7344-7547
7344, 7347, 7448, 7451, 7475, 7487,
7509, 7527, 7547 w/ 1.spf
Frac w/ 82,000 gal wtr, 70,000# 40/60 sand

4-1/2", 11.6 & 10.5#, K-55 @ 7573'

TD = 7573' Cmt w/ 179 sxs 1st stg circ., 113 sxs 2nd stg, 197 sxs 3rd stg.

DHC



Tuesday, April 16, 1996

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

Greetings:

Union Oil Company of California (UNOCAL) has requested, from the State of New Mexico, Oil Conservation Division, approval to down hole commingle production from the Blanco Mesa Verde and Basin Dakota formations in the following Rincon Unit well, Rio Arriba County, New Mexico.

<u>Well</u>	<u>Legal Location</u>
203	990' FSL, 890' FWL, S27, T27N, R7W

Attached for Bureau of Land Management review is this proposal. If there are any objections to the proposed action, please notify NMOCD within twenty days. If you have any questions regarding this application, please contact me at (505) 532-1811 ext. 14.

Sincerely,

Union Oil Company of California
d.b.a. UNOCAL

Brett H. Liggett
Production Engineer



Tuesday, April 16, 1996

Conoco Production Co.
3315 Bloomfield Hwy
Farmington, New Mexico 87401

Greetings:

Union Oil Company of California (UNOCAL) has requested, from the State of New Mexico, Oil Conservation Division, approval to downhole commingle production from the Blanco Mesa Verde and Basin Dakota formations in the following Rincon Unit well, Rio Arriba County, New Mexico.

<u>Well</u>	<u>Legal Location</u>
203	990' FSL, 890' FWL, S27, T27N, R7W

If Conoco, as an offset operator, has an objection to this proposal, please notify NMOCD within twenty days. If you have any questions regarding this application, please contact me at (505) 532-1811 ext. 14.

Sincerely,

Union Oil Company of California
d.b.a. UNOCAL

Brett H. Liggett
Production Engineer