

JUL 12 2000



NM Oil Conservation Division
1000 Rio Brazos Rd
Aztec, NM 87410

July 11, 2000

Subject:
Non standard location
Rincon Unit #155m
Rio Arriba County, NM

Sirs:

Union Oil Company of California (Unocal) is making application to drill the Rincon Unit #155m. The proposed well is to be a Dakota - Mesa Verde commingle, the Dakota being a 160 acre well and the Mesa Verde an 80 acre infill. The proposed location is a non standard location per Dakota Field rules.

We are requesting approval of the non standard location due to topographic restrictions and because of Archeological restraints. A large canyon runs directly down the center of section 17 making it physically impossible to drill an orthodox location. The only option available to gain topographic relief as well as maintain sufficient distance from offset wellbores (see attached calculation sheet) is to move the location North-East towards the proration unit boundaries.

Should you have any questions in regards to this request please contact Mike Phillips (505) 632-1811.

Very truly yours,

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

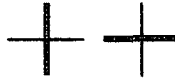
A handwritten signature in black ink, appearing to read "Mike Phillips".

Mike Phillips
Drilling Foreman

cc: Jim Lavato (BLM)

Well Name: 155m - section 17

1) location picked by field rules (790' f/ boundary & 130' f/ 1/4 section)



				Infill location		EW	NS	Dist to	closest
<u>Mesa Verde:</u>	<u>well #</u>	<u>F/ EW</u>	<u>F/ NS</u>	<u>F/ EW</u>	<u>F/ NS</u>			<u>infill</u>	<u>well</u>
NW / 4	79	1747	1516	790	790	957	2306	2,497	
SW / 4	81a	1600	1500	790	790	810	710	1,077	<<<
SE / 4	21	1190	990	790	790	1980	200	1,990	
NE / 4	21a	845	1470	790	790	1635	2260	2,789	
<u>Dakota:</u>									
NW / 4	161	1640	1190	790	790	850	1980	2,155	
SW / 4		na	na						
SE / 4	156	1050	1550	790	790	1840	760	1,991	<<<
NE / 4	pos 179m	2120	990	790	790	2910	1780	3,411	

Well Name: 155m - lay down Dk
2) optimize spacingLegal location:2140 FSL
500 FEL
sec 17This is an unorthodox location.
Original location moved due to canyon.

				Infill location		EW	NS	Dist to	closest
<u>Mesa Verde:</u>	<u>well #</u>	<u>F/ EW</u>	<u>F/ NS</u>	<u>F/ EW</u>	<u>F/ NS</u>			<u>infill</u>	<u>well</u>
NW / 4	79	1747	1516	500	500	1247	2016	2,370	
SW / 4	81a	1040	1500	500	500	540	1000	1,136	<<<
SE / 4	21	1190	990	500	500	1690	490	1,760	
NE / 4	21a	845	1470	500	500	1345	1970	2,385	
<u>Dakota:</u>									
NW / 4	161	1000	1190	500	500	500	1690	1,762	<<<
SW / 4		na	na						
SE / 4	156	1050	1550	500	500	1550	1050	1,872	
NE / 4	pos 179m	2120	990	500	500	2620	1490	3,014	

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				5. LEASE DESIGNATION AND SERIAL NO. SF -079052 6. IF INDIAN, ALLOTTEE OR TRIBE NAME 7. UNIT AGREEMENT NAME Rincon Unit 8. FARM OR LEASE NAME, WELL NO. Rincon Unit 155M 9. API WELL NO. n/a 10. FIELD AND POOL OR WILDCAT Basin Dakota/ Mesa Verde 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 17, T-27-N, R-6-W 12. COUNTY OR PARISH 13. STATE Rio Arriba NM	
2. NAME OF OPERATOR Union Oil Company of California dba(Unocal)				14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 40 miles Southeast from Bloomfield NM.	
3. ADDRESS AND TELEPHONE NO. P.O. Box 671, Midland TX				15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest dip, Unit line, if any) 3340'	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)* At surface 1940' FSL and 500' FEL At proposed prod. zone Same as Surface				16. NO. OF ACRES IN LEASE 2845.09	
17. NO. OF ACRES ASSIGNED TO THIS WELL 320				18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT. 1762'	
19. PROPOSED DEPTH 7702'				20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, e) 6560' GR				22. APPROX. DATE WORK WILL START* July 15, 2000	
23. PROPOSED CASING AND CEMENTING PROGRAM					
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
12-1/4"	H-40 9-5/8"	32.3#	350'	285 SACKS "B" TOC @ SURFACE	
8-3/4"	K-55 7"	20#	2800'	300 SACKS TYPE III TOC @ SURFACE	
6-1/4"	N-80 4-1/2"	11.6#	7702'	3 SACKS 65/35 POZ TYPE III TOC TIED INTO 7" CASI	

"Expedited APD/ROW"

Unocal plans to drill the Rincon Unit 155M, and complete in the Mesa Verde and the Basin Dakota and downhole commingle the two formations.

BOP- One double gate BOP with 3-1/2" pipe and blind rams, one choke manifold with adjustable and positive chokes, an accumulator will hydraulically operate BOP with 1 1/2 times the necessary capacity to close the rams and retain a minimum of 200 psi above recharge. Rotating head will be utilized during the drilling of the 6-1/4" hole.
(Schematics are attached)

We will have a fire suppression system in place, in the event that we have to flare while drilling the production hole.

IN ABOVE SPACE DESCRIBED 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.

SIGNED Mike C. Phillips TITLE PERMIAN ROCKY MOUNTAIN DRILLING FOREMAN DATE 06/14/00

(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 application to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

Under 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 71599		3 Pool Name Basin Dakota		
4 Property Code 011510		5 Property Name RINCON UNIT			6 Well Number 155M	
7 OGRID No. 023708		8 Operator Name UNION OIL COMPANY OF CALIFORNIA			9 Elevation 6574	

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	17	27 N	6 W		1940	South	500	East	Rio Arriba

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 3.320		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16 S 88° 28' W 79.46 CH 79.57 CH 80.54 CH N 0° 59' E 1940' S 87° 53' W 79.74 CH				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature: <i>Mike Phillips</i> Printed Name: Mike Phillips Title: Rky Mtn/Perm Basin Drlg Foreman Date: 05/16/00	
18 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 belief. Date of Survey: <i>05/16/00</i> Signature and Seal: <i>William E. Macken</i> Certificate Number: 8466				NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR #8466 WILLIAM E. MACKEN II	

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 72319		3 Pool Name Blanco Mesa Verde	
4 Property Code 011510		5 Property Name RINCON UNIT			6 Well Number 155M
7 OGRID No. 023708		8 Operator Name UNION OIL COMPANY OF CALIFORNIA			9 Elevation 6574

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
I	17	27 N	6 W		1940	South	500	East	Rio Arriba

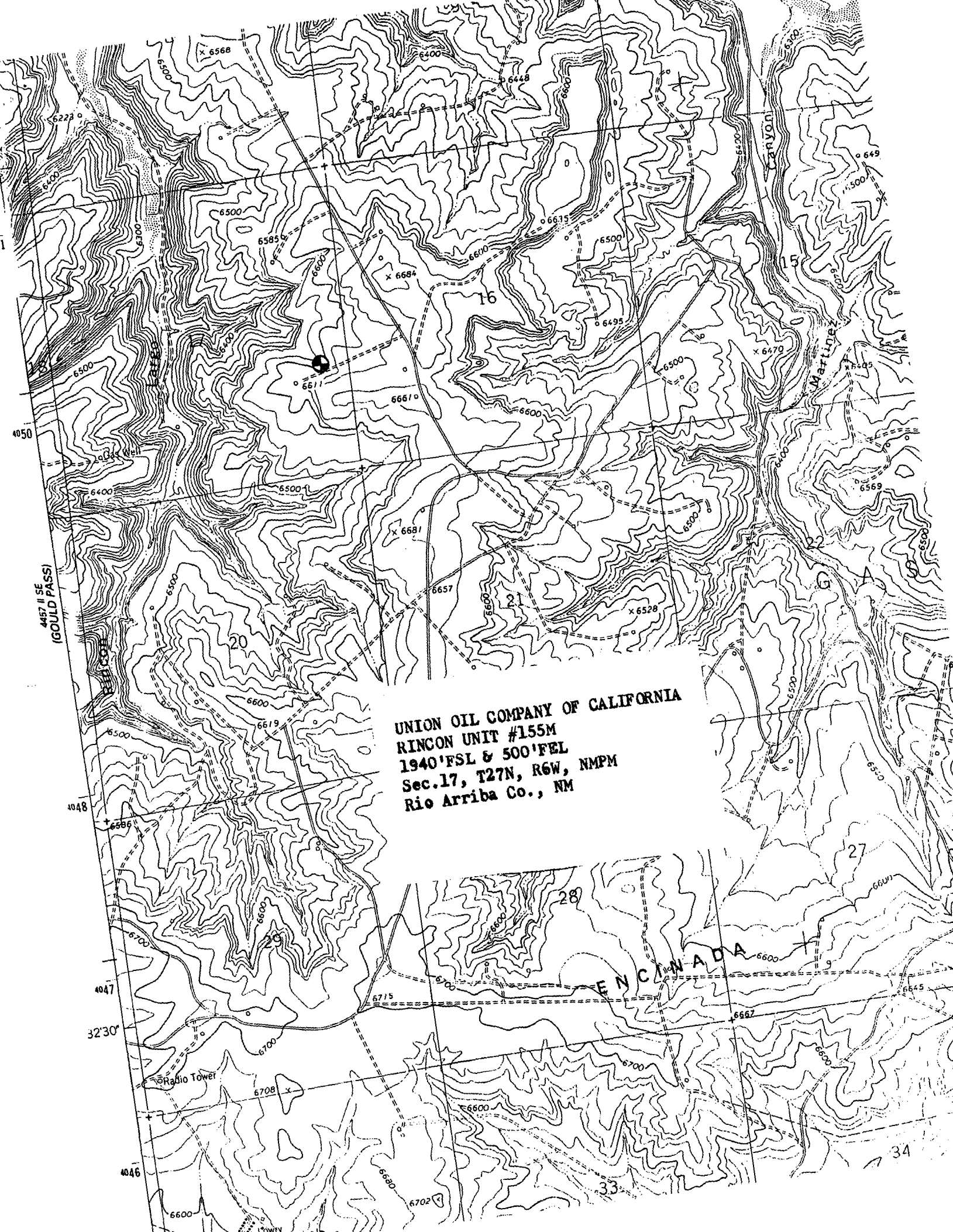
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
320			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p> <p>S88°28'W</p> <p>WC</p> <p>S88°28'W</p> <p>0.900m</p> <p>79.46m</p> <p>79.57m</p> <p>80.64m</p> <p>NO°59'E</p> <p>17</p> <p>Sec.</p> <p>500'</p> <p>1940'</p> <p>S87°53'W</p> <p>79.74m</p>		<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Mike Phillips</i></p> <p>Signature</p> <p>Mike Phillips</p> <p>Printed Name</p> <p>Rky Mtn/Perm Basin Drlg Foreman</p> <p>Title</p> <p>05/16/00</p> <p>Date</p>
<p>18 SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>WILLIAM E. MANNEN</p> <p>NEW MEXICO</p> <p>#8466</p> <p>REGISTERED PROFESSIONAL SURVEYOR</p> <p>William E. Mannen II</p> <p>Certificate Number 8466</p>		

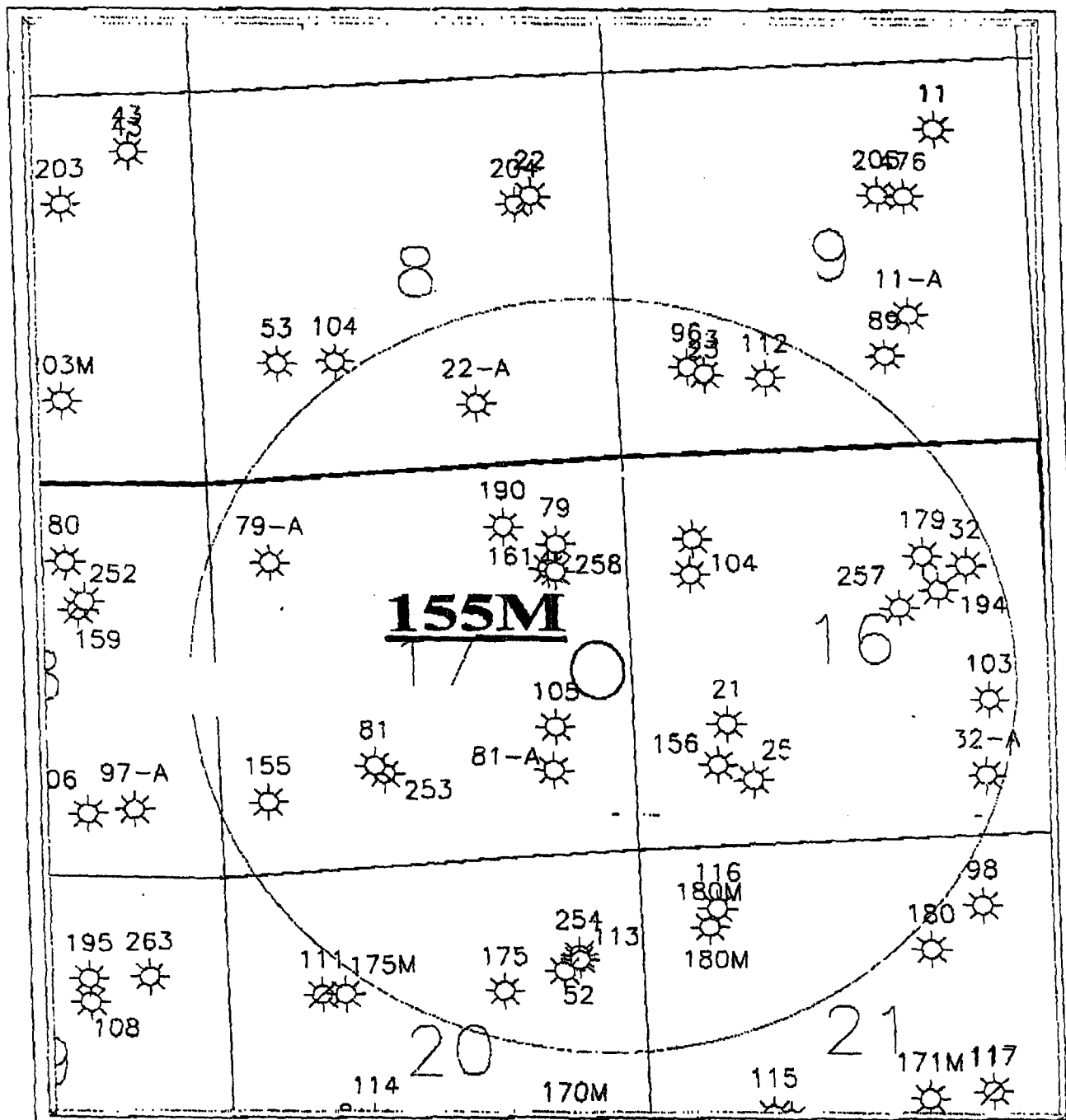


4457 II SE
(GOULD PASS)

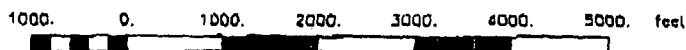
UNION OIL COMPANY OF CALIFORNIA
RINCON UNIT #155M
1940'FSL & 500'FEL
Sec.17, T27N, R6W, NMPM
Rio Arriba Co., NM

U.S. - CANADA

Radio Tower



Scale 1:24000.



RINCON UNIT
Rio Arriba Co., NM
Proposed Well Location

All Wells	Scale 1:24000.	
Joe Schmab	5/10/103	L195ALCOP