



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

October 4, 1990

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Union Oil Company of California
3300 North Butler Avenue
Suite 200
Farmington, NM 87401

Attention: Bill Hering

RE: Unorthodox coal gas well location application, Rincon Unit No. 122, 1750' FSL & 990' FEL (Unit I) Section 26, Township 27 North, Range 6 West, Basin-Fruitland Coal Gas Pool, Rio Arriba County, New Mexico. The E/2 of said Section 26 to be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

Dear Mr. Hering:

In reviewing the subject application, it was found that Union Oil Company of California (Unocal) has an approved "Application for Permit to Drill" - APD (see copy of BLM form 3160-3 attached) for its Rincon Unit Well No. 247 to test the Basin-Fruitland Coal Gas Pool at a standard coal gas well location 1600 feet from the North line and 1205 feet from the East line (Unit H) of said Section 26. Also, by OCD Form C-102 (also attached) the E/2 of the section is to be dedicated to this well.

Before I may proceed with this application, please contact me as to Unocal's intentions of developing the Basin-Fruitland Coal Gas Pool in the E/2 of this Section.

Should you have any questions, please contact me.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Union Oil Company of California

3. ADDRESS OF OPERATOR

1004 N. Big Spring St. #635, Midland, TX 79701-3340

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1600' ENL & 1205' FEL, Sec 26, T27N, R6W

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 40 miles southeast of Bloomfield, N.M.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

1205'

16. NO. OF ACRES IN LEASE

920'

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.

860'

19. PROPOSED DEPTH

3397'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6652' DRILLING OPERATIONS AUTHORIZED ARE

22. APPROX. DATE WORK WILL START*

ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24 #	225'	175 sacks to surface
7-7/8"	5-1/2"	17 #	3397'	410 sacks to surface

Proposed Drilling Program

MIRU. Drill 12-1/4" hole with spud mud to 225'. Survey. Rig up and run casing and cement as outlined in attached drilling plan. WOC @ 18 hours. NUBOP, choke, and kill line (2000#) and test same plus casing. Drill out with 7-7/8" hole from 225' to T.D. with fresh water mud. Run surveys @ 500' intervals or first bit trip succeeding 500'. At T.D. log with DISFL, GR, SP, FDC, CNL-GR. Run and cement casing as outlined in attached drilling plan. RDMOL.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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.

24. SIGNED Chris Russell TITLE Agent for UNOCAL DATE 10/27/89

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

OIL CON. DIV.

APPROVED
AS AMENDED

FEB 28 1990

AREA MANAGER

*See Instructions On Reverse Side

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

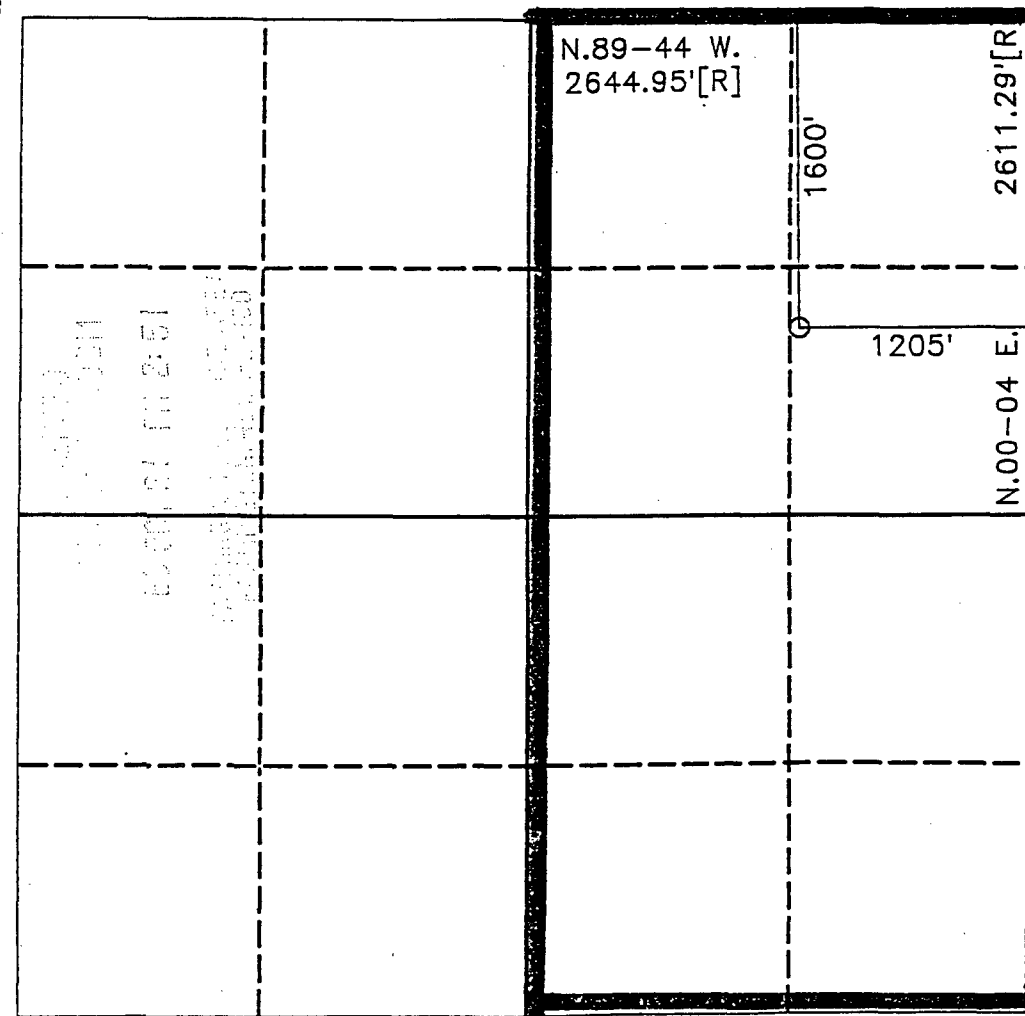
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Unocal, Inc.			Lease Rincon		Well No. Unit #247
Unit Letter H	Section 26	Township T.27 N.	Range R.6 W.	County Rio Arriba	NMPM
Actual Footage Location of Well: 1600' feet from the North line and 1205' feet from the East line					
Ground level Elev. 6652'	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal		Dedicated Acreage: 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☒ Yes ☐ No If answer is "yes" type of consolidation Unitization
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary).
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Chris Russell

Printed Name

Agent

Position

UNOCAL

Company

10/27/89

Date

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 knowledge and belief.

Date Surveyed

Signature of Seal of
Professional Surveyor

R. Howard Daggett
9073

Certificate No.

9879

Registered Professional
Land Surveyor

Unocal Oil & Gas Division
Unocal Corporation
3300 North Butler Avenue
Suite 200
Farmington, New Mexico 87401
Telephone (505) 328-7800
Fax: (505) 328-6145

UNOCAL

October 9, 1990

Farmington District

Oil Conservation Division
New Mexico Department of Energy
Minerals and Natural Resources
Attn: Mike Stogner
State Land Office Building
P.O. Box 2088
Santa Fe, New Mexico 87503

RE: Application of Union Oil Company of California dba Unocal for
Administrative approval of the following Basin Fruitland Coal
(Gas) Non-Standard Location Applications for existing well
plugbacks:

Rincon Unit #122	SF079367-A
Rincon Unit #56	State 291 (also unorthodox)
Rincon Unit #19	SF079364
Rincon Unit #117	SF079366
Day B #6	SF078571

As per our telephone conversation October 5 and October 9, 1990, I am sending you this letter for the record in anticipation of receiving your letter dated October 4, 1990 not yet received.

Regarding the problem of overlapping acreage dedication of the above proposed Basin Fruitland Coal recompletions with approved APD's, I have contacted Mr. Steve Mason of the BLM. He recommends that the approved APD's should not be cancelled until the proposed work is complete in case they are not successful and Unocal wishes to drill them later. Cancellations of the approved APD's will be submitted upon successful completion of the proposed recompletions to the 5 subject wells.

Unocal respectfully requests that administrative approval be granted.

Please contact me if I can help expedite these approvals.

Sincerely yours,

Union Oil Company of California
dba UNOCAL

Stergie Katirgis
Stergie Katirgis
Petroleum Engineering Consultant

SK/df



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

October 12, 1990

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Union Oil Company of California
3300 North Butler Avenue
Suite 200
Farmington, NM 87401

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Dear Mr. Hering:

The Division has received numerous applications in the past to recomplete existing wells to the Basin-Fruitland Coal Gas Pool at unorthodox coal gas well locations, usually Pictured Cliffs wells, which are off pattern for coal gas development, it appears that additional information may be necessary to properly evaluate future filings in instances when there are two wells in the proposed coal spacing unit producing from the same formation in which the one to be recompleted is off-pattern.

In the immediate instance, the proposed E/2 320-acre coal dedication has two South Blanco Pictured Cliffs Gas wells; the Rincon Unit Well No. 100 located at a standard coal gas well location in Unit A and the Rincon Unit Well No. 122 located in Unit I. Why was the No. 122 chosen over the No. 100 well? Also, how does this off-pattern recompletion effect coal development in the immediate area? Please submit any supporting production data, engineering evaluation and related technical data to support your choice of wells for recompletion. Also submit a plat of the offsetting sections showing the coal completions presently planned or currently producing and provide a discussion addressing the proposed off-pattern development.

Should you have any questions, please contact me.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington

*Copy Sent to
E. Busch
10/19/90*

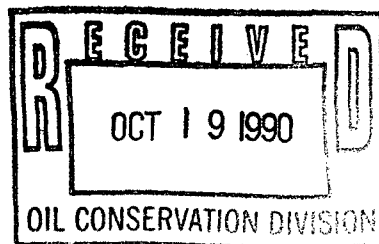
Unocal Oil & Gas Division
Unocal Corporation
3300 North Butler Avenue
Suite 200
Farmington, New Mexico 87401
Telephone (505) 326-7600
Fax: (505) 326-6145

UNOCAL 

October 18, 1990

Farmington District

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
Attn: Michael E. Stogner
P.O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87504



Dear Mr. Stogner:

Regarding your letter dated October 12, 1990 concerning the non-standard application for the Rincon Unit #122, (copy attached) the following is offered in support of the application:

The Rincon Unit #122 (SE/4) was chosen as a plug-back candidate over the Rincon Unit #100 (NE/4) because the #100 is an active producer in the Pictured Cliffs formation, currently producing an average of 55 MCFD. The #122, in contrast, was shut in mid 1986 and was temporarily disconnected in November of 1988 due to the well's inability to produce against line pressure. The Pictured Cliffs is now considered depleted in this area.

Regarding the issue of coal development in the immediate area, Unocal does not propose any further development drilling in this area of the Rincon Unit. Since this area has been found to be less prospective, a commercial well can be accomplished only by plugging back an existing non-productive well. This completion will be the only Basin Fruitland Coal Gas completion in Section 26, T27N, R6W, and there exist no other coal wells within a one mile radius of this well. Well test analyses indicate Rincon Unit coal to have a very low permeability, therefore, this well's impact will be minimal on offsetting acreage.

Section 26 is bounded to the east and south by non Unocal acreage. As per NMOCD guidelines and Basin Fruitland Coal Gas pool rules, all offset operators and mineral owners were notified and no objection has been made concerning this development.

Please contact me at (505) 326-7600 if there is anything I can do to expedite this application.

Sincerely yours,

Union Oil Company of California
dba UNOCAL



Bill Hering
District Petroleum Engineer



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

October 12, 1990

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Union Oil Company of California
3300 North Butler Avenue
Suite 200
Farmington, NM 87401

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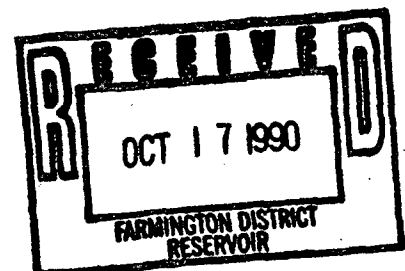
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Sincerely,

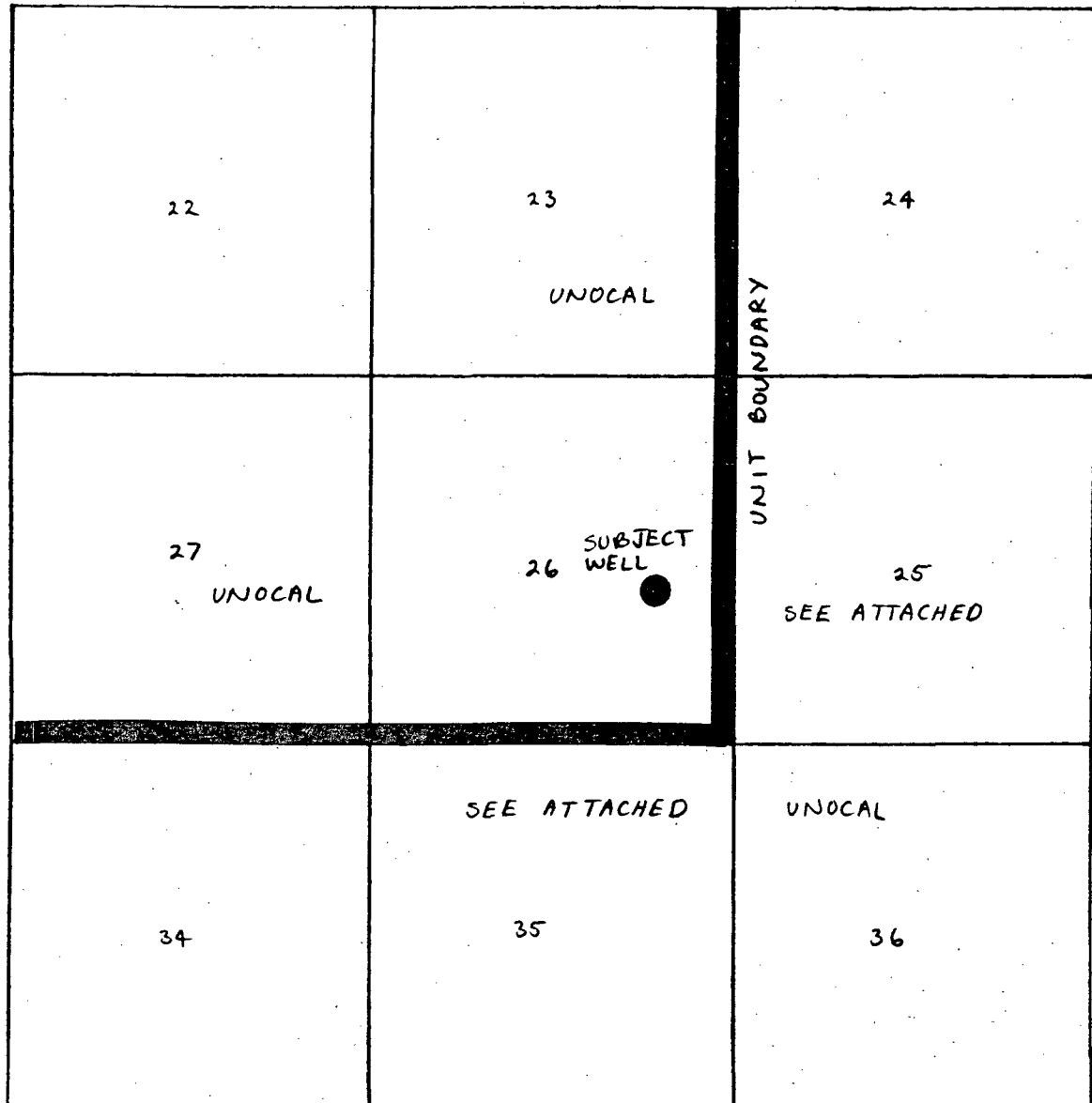
Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington



UNOCAL 76

PREPARED BY	CHECKED BY	DATE 9-1-90	PAGE OF
SUBJECT RINCON UNIT 122 - OFFSET OPERATOR PLAT			W O: A F E NO



RINCON #122 - OFFSET OWNERS & OPERATOR

Burton/Hawks, Inc.
P.O. Box 359
Casper, Wyoming 82602

Marthon Oil Company
555 San Felipe Rd
Houston, TX 77056

EZ Peck Trust
611 Woodward Ave.
Detroit, Michigan 48226

Robert Kaynler
25240 Cahsner Rd. #1A
Southfield, Michigan 48034

Helen Bushnell
Box 222A
Detroit, Michigan 48232

Lorena M. Nidoz Trustee
600 S. Commonwealth
Los Angeles, California 90005

George H. Zimmerman
220 Bagley Ave.
Detroit, Michigan 48226

Georgia Zimmerman Trust
220 Bagley Ave
Detroit, Michigan 48226

Meridian Oil Company
P.O. Box 4289
Farmington, NM 87499-4289

Dekalb
1625 Broadway, Suite 1300
Denver, Colorado 80202

JZ Zimmerman Trust
611 Woodward
Detroit, Michigan 48226

Breech Equities
12723 Telegraph Rd.
Detroit, Michigan 48239

Calkins Production Company
1600 Broadway, Suite 2100
Denver, Colorado 80202

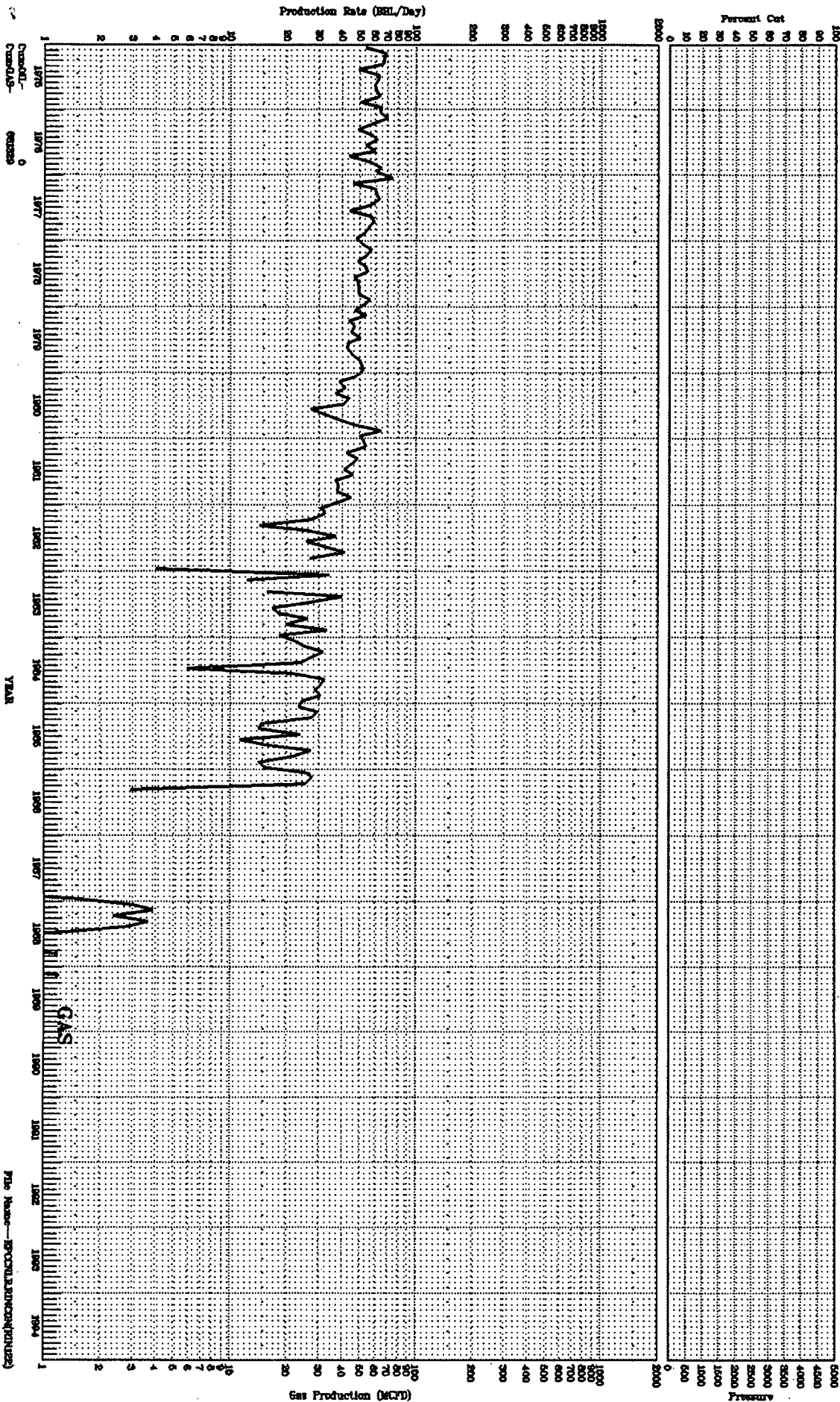
Doris Zimmerman Trust
220 Bagley Ave.
Detroit, Michigan 48226

Louis G. Zimmerman
150 Bagley Ave.
Detroit, Michigan 48226

OPERATOR--UNOCAL
INTEREST--WI 7683083 NI 6106087

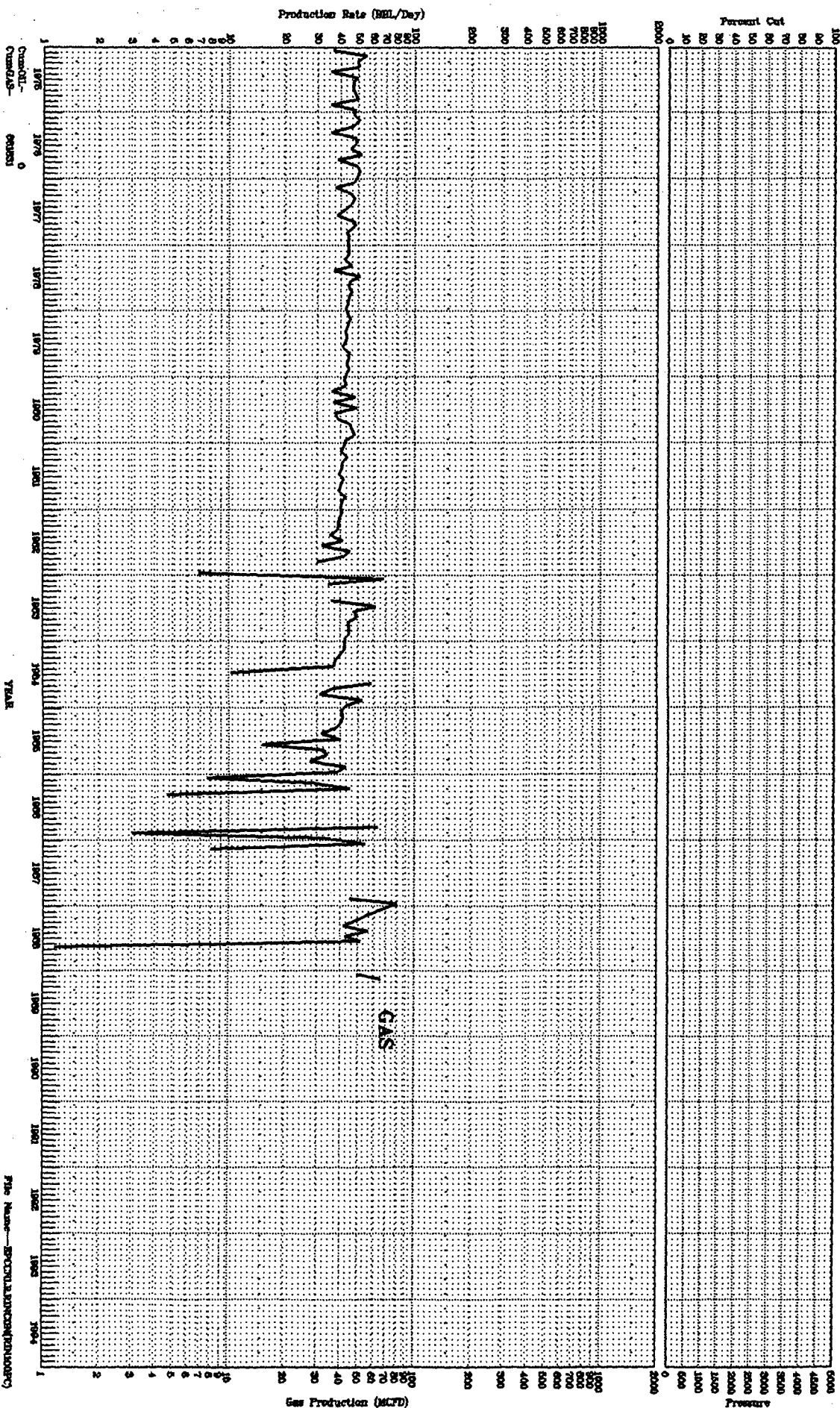
FIELD--BLANCO S
FORMATION--PICTURED CLIFFS
BIO ALERBA COUNTY, NEW MEXICO

LEASE--SF-076867-A
WELL--RINCON UNIT #122



File Name--SF076867-A
Data Source--
API No.--50050086000

LEASE--SF-079367-A
WELL--RINCON UNIT #100 PC



1438 MAY 25 1968

File Name--EPICENTER.DRUMS\KON100.PC;
Data Source--
API No.--300500622000