

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-039-25185

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>				5. LEASE DESIGNATION AND SERIAL NO. SF-079160	
b. 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 checked="" type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
2. NAME OF OPERATOR Union Oil Company of California				7. UNIT AGREEMENT NAME Rincon Unit	
3. ADDRESS OF OPERATOR 3300 N. Butler Ste 200 Farmington, NM 87401				8. FARM OR LEASE NAME Rincon Unit	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 790 FSL & 1825 FEL Same				9. WELL NO. 57 E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 23 miles SE of Blanco, NM				10. FIELD AND POOL OF WILDCAT Largo GAL Basin DK/E/320	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1825				11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 0 Sec. 1-T26N-R7W	
16. NO. OF ACRES IN LEASE 1920.83				12. COUNTY OR PARISH Rio Arriba	
17. NO. OF ACRES ASSIGNED TO THIS WELL E/2 320, SE/4 160				13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1900				19. PROPOSED DEPTH 7300'	
20. ROTARY OR CABLE TOOLS Rotary				21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6457' Gr.	
22. APPROX. DATE WORK WILL START* 04/15/92				23. PROPOSED CASING AND CEMENTING PROGRAM DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED GENERAL REQUIREMENTS	
SIZE OF HOLE 12.25" 7.875"		SIZE OF CASING 8.625" 5.50"		WEIGHT PER FOOT 24# 17#	
SETTING DEPTH 350 7300		STAGE TOOL JOINT 4000' +/-		QUANTITY OF CEMENT 245sxs CL B (289 cuft) 290sxs (542 cuft) extended Cl. B. tail w/ 150 sxs (177 cuft)	
ClB. 2nd stage 400 sxs (748 cuft) extended Cl. B. tail w/ 150 sxs (177 cuft) Cl. B w/ 2% CaCl2					

Union Oil Company of California wishes to advise that we intend to drill a 12.25" hole to 350' with mud. Run 8.625" casing to 350' and cement to surface with 245 sxs Cl B cement. Nipple up and test BOP. Drill 7.875" hole to 7300' with mud. Log well. Run 5.5" production casing to 7300'. Cement with 290 sxs extended Cl. B. tailed with 150 sxs Cl. B. Second stage 400 sxs extended Cl. B. tailed by 150 sxs Cl.B. with 2% CaCl2. Perforate pay section in the Gallup and Dakota Sands. Stimulate as required.

RECEIVED
JUN 18 1992

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 plane table, subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Jim Benson TITLE Dist. Drlg. Supt. APPROVED AS AMENDED

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NMOCD

*See Instructions On Reverse Side

Submit to Appropriate
District Office
State Lease - 4 copies
For 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		Lease RINCON Unit		Well No. 57E
Unit Letter 0	Section 1	Township 26N	Range 7W	County NMPM Rio Arriba
Actual Footage Location of Well: 790 feet from the South line and 1825 feet from the East line				
Ground level Elev. 6457	Producing Formation Gallup/Dakota	Pool EXT Largo/Basin	Dedicated Acreage: 326 160/320 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>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).</p> <p>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.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>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.</p>				
			<p>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>Signature: <i>Robert C. Frank</i></p> <p>Printed Name: Robert C. Frank</p> <p>Agent</p> <p>Position: Union Oil Company of California</p> <p>Company: March 23, 1992</p> <p>Date:</p> <p>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 knowledge and belief.</p> <p>Date Surveyed: March 18, 1992</p> <p>Signature: <i>Marcel B. Tull</i></p> <p>Professional Surveyor</p> <p>Registered Professional Land Surveyor</p> <p>6672</p> <p>Exhibit 1</p>	

Bureau of Land Management
1235 LaPlata Highway
Farmington, NM 87401

Union Oil Company
of California
3300 N Butler Ste 200
Farmington, NM 87401

Attn.: Mr. John Keller

April 23, 1992

Subject: Casing, Centralizer and Cement Design Change
Rincon Unit 57 E
790 FSL & 1825 FEL
Section 1-T26N-R7W
Rio Arriba Co., NM

Dear Mr. Keller,

In response to your letter of April 14, 1992, addressing deficiencies in the original APD for the well referenced above, please find an ammended casing, centralizer and cement design. I understand this letter will be attached to the existing APD and made an integral part of the APD.

CASING

Surface

<u>Depth</u>	<u>Hole Size</u>	<u>Casing Size</u>	<u>Weight lb/ft</u>	<u>Collapse Pres. at bottom</u>	<u>Collapse Res. in tension</u>	<u>Collapse Design Factor</u>
350	12.25	8.6125	24 K-55 ST&C	170	1370	8.1

Cementing Hardware: Guide shoe with insert float collar
Centralize shoe joint

Production Stage tool: 4700' +/-

<u>Depth</u>	<u>Hole Size</u>	<u>Casing Size</u>	<u>Weight lb/ft</u>	<u>Collapse Pres. at bottom</u>	<u>Collapse Res. in tension</u>	<u>Collapse Design Factor</u>
7300- 6500	7.875	5.5	17 N-80 LT&C	3568	5415	1.5
6500- surface	7.875	5.5	17 K-55 LT&C	3177	3732	1.17

Cementing Hardware: Guide shoe with insert float collar
Centralize shoe joint and next five joints
Centralize and turbalize above and below stage tool,
oil and gas zones as needed and across the Ojo Alamo formation.

Cement

Surface: 250 sxs Class B with 2% CaCl_2 and 1/4# cello flakes. Volume plus 100% excess. Circulate to surface. Slurry weight: 15.7 ppg. Yield: 1.17 cf/sk.

Production: Actual cement volumes to be recalculated based on caliper logs.

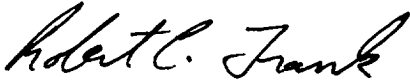
DV tool at 4700' +/-

1st stage: 550 sxs of 50/50/2 Poz containing gel, fluid loss control, dispersant, free water control agent and cello flakes. Slurry weight: 13 ppg. Yield 1.27 cf/sk. Tail in with 100 sxs of Cl B with fluid loss control. Slurry weight: 15.7 ppg. Yield: 1.17 cf/sk.

2nd stage: 450 sxs of class B with 3% sodium metasilicate. Volume plus 35 % excess. Circulate to surface. Slurry weight: 11.4 ppg. Yield 2.81 cf/sk. Tail with 100 sxs class B. Slurry weight: 15.7 ppg. Yield 1.17 cf/sk.

If I may be of any further assistance, please advise.

Very truly yours,



Robert C. Frank
Agent