Submit 3 Copies to Appropriate District Offices

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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

OIL CONSERVATION DIVISION
P.O. BOX 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.
30-039-25413

5. Indicate type of Lease
STATE [X] FEE [ ]

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR ROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"

7. Lease Name or Unit Agreement Name
RINCON UNIT

1. Type of Well:
OIL WELL [ ] GAS WELL [X] OTHER

Name of Operator
UNION OIL OF COMPANY OF CALIFORNIA

8. Well No.
164E

Address of Operator
P.O. BOX 850 - BLOOMFIELD, NM 87413

9. Pool name or Wildcat
LARGO GALLUP

Well Location
Unit Letter D : 860' Feet From The NORTH Line and 1150' Feet from the WEST Line
Section 2 Township 26N Range 07W NMPM RIO ARRIBA County

10. Elevation *(Show whether DF, RKB, RT, GR, etc.)*
6526' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[X]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[ ]
PULL OR ALTER CASING	[ ]			CASING TEST AND CEMENT JOB	[ ]		
OTHER			[ ]	OTHER:			[ ]

12. Describe Proposed or Completed Operations (Clearly state all pertinent details and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Please see attached histor and procedure for P & A operations

RECEIVED
JAN 29 1996
OIL CON. DIV.
DIST. 3

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNATURE Brett H. Liggett TITLE PRODUCTION ENGINEER DATE 01/25/96

TYPE OR PRINT NAME BRETT H. LIGGETT TELEPHONE NO. (505)632-1811 EXT 1

(This space for State Use)

APPROVED BY Johnny Robinson TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE JAN 29 1996

CONDITIONS OF APPROVAL IF ANY:

WELL HISTORY AND CURRENT STATUS

RINCON UNIT 164E (Dakota/Gallup)

Sec. 2-26-7, Rio Arriba County, New Mexico

Spud Date:	8/25/95
TD:	7380'
Dakota Perfs:	7200 - 7213', 7248 - 7263'
Gallup Perfs:	6596 - 6602', 6612 - 6626'
Dakota Frac:	52000 gal gel, 194000 lbs 20/40 sand, 30 BPM
Gallup Frac:	40000 gal gel, 173000 lbs 20/40 sand, 30 BPM
Completion Date:	10/27/95
24 Hour Test, Dakota:	200 MCFD plus trace condensate
24 Hour Test, Gallup:	TSTM
Current Status, Dakota:	Shut In
Current Status, Gallup:	Shut In

- Gallup was tested up 4-1/2" x 2-3/8" annulus. No measurable gas.
- Submitted application to NMOCD for downhole commingle order for DK/GL. Application was denied.
- 11/28/95 pulled tubing and installed "R" nipple and sliding sleeve to attempt to unload annulus and test Gallup up tubing.
- December 1995 swabbed tubing (Gallup) 4 days. Well flows 3 hours and dies. Flow rate too small to measure. Gallup zone deemed non-commercial.
- December 1995 slickline work to prepare Dakota for first delivery (close sliding sleeve and pull tubing plug) get tools stuck in tubing. Dakota is undeliverable and well needs to be pulled.
- Well will be returned to production as a Dakota single. Squeezing the non-productive Gallup will allow the low rate Dakota completion to be pumped more efficiently.

WORKOVER PROCEDURE
RINCON UNIT 164-E
RINCON FIELD
JANUARY 15, 1996

OBJECTIVE: Squeeze the Gallup perfs at 6,589 - 626'. Then return well to production from the Dakota perfs only (7,200 - 63').

1. MIRU workover rig.

2. Attempt to fill annulus with 2% KCl to kill well (Gallup). Install BPV. Nipple down tree. Nipple up and test BOP's to 2000 psi. Remove BPV.

3. Screw into tubing hanger with 2-3/8", N-80, 8 Rd EUE landing joint. P/U on tubing string and release Guiberson Q-8 packer at 6,652' (Do not exceed 57 M# total pull). POOH (wet) and recover slickline tool string (Plug in "R" Nipple below fish).

4. R/U EL unit with lubricator and packoff. RIH with gauge ring / junk basket to +/- 6,730'. POOH. RIH and set retrievable bridge plug at 6,725'. R/D lubricator. Dump 10' of sand on top of bridge plug. POOH and R/D EL unit.

5. TIH with 2-3/8", 4.7#, J-55, 8 Rd EUE tubing to 6,630'. Set a balanced cement plug with 25 sx of cement. POOH ten stands. Bullhead 3 bbls of cement into perfs. POOH.

6. TIH with junk mill and drill collars on 2-3/8" tubing to TOC. R/U power swivel and drill out cement. Circulate well clean. Test perfs to 500 psi.

7. P/U retrievable bridge plug retrieving head and TIH to top of sand at 6,715'. Circulate out sand and latch retrievable bridge plug. Release retrievable bridge plug and POOH.

8. P/U and TIH with the following production assembly.
   a. 1 joint of 2-3/8", 4.7#, J-55, 8 Rd EUE, IPC tubing (used).
   b. 2-3/8" Seating Nipple.
   c. Required joints of 2-3/8", 4.7#, 8 Rd EUE, IPC tubing to set at 7,300'. M/U tubing hanger and hang off tubing.

9. Install BPV. N/D BOP's. N/U wellhead and test void to 3000 psi. Remove BPV.

10. Swab well until flowing unassisted.

11. Release rig. Turn well to production.