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



August 24, 1995

New Mexico Oil Conservation Division

Attn: Frank Chavez 1000 Rio Brazos Road Aztec, New Mexico 87410 DECEIVED N AUG 2 9 1995

OIL CON. DIV.

RE: Surface Commingling Allocation Percentage

Dear Frank:

11-26-7

Unocal would like to request the attached percentages on the approved blanket surface commingling order #PC-906 for the Rincon Unit #304 DK/MV and Rincon Unit #304M DK/MV, dated March 27, 1995. The above wells has been completed in the Blanco Mesa Verde/Basin Dakota formations. A 24 hour test was ran beginning on August 8, 1995 on the Rincon Unit #304 on each formation and August 14, 1995 on the Rincon Unit #304M on each formation.

Your urgency with this matter would be very much appreciated. Thank you.

Sincerely,

Union Oil Company of California dba Unocal

R.L. Caine

Production Foreman

Attachment:

RLC/skl

Surface Comminghing Seventages sperment on 9-14.85

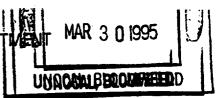
June Busch



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPART

OIL CONSERVATION DIVISION 2040 S. PACHECO SANTA FE. NEW MEXICO 87505 (505) 827-7131



COMMINGLING ORDER PC-906

Unocal Oil & Gas Division P.O. Box 850 Bloomfield, New Mexico 87413

Attention: Brett Liggett

The above-named company is hereby authorized to commingle Blanco Mesaverde and Basin Dakota Pool production from 14 wells described on Exhibit "A" attached hereto, in a common tank battery and to determine the production from each pool by semi-annual well tests. (If this method is to be authorized, all commingled production just be of marginal nature; further the operator shall notify the Santa Fe Office of the Division in the event any well in the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate.) Allocations factors for oil and gas production shall also be determined from such tests and adjusted accordingly.

FURTHER: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

DONE at Santa Fe, New Mexico, on this 27th day of March, 1995.

WILLIAM J. LEMAY, Director

WJL/BES

cc:

Oil Conservation Division - Aztec

Bureau of Land Management - Farmington

EXHIBIT "A"

RINCON UNIT Wells Approved for Surface Commingling Blanco Mesaverde and Basin Dakota Pools

Division Order PC-906

| Well Number | Location |
|----------------|-----------------------------------|
| 124A | 2025' FNL & 1610' FWL, 34-27N-07W |
| 131E | 1145' FSL & 1525' FWL, 36-27N-07W |
| 134E | 800' FSL & 800' FEL, 12-26N-07W |
| 149M | 1900' FNL & 1365' FWL, 30-27N-06W |
| 166E | 1980' FNL & 1980' FWL, 32-27N-06W |
| 176E | 1505' FNL & 1850' FWL, 31-27N-06W |
| 178E | 1450' FSL & 1450' FEL, 23-27N-07W |
| 185E | 1550' FSL & 1505' FEL, 22-27N-07W |
| 193M | 1000' FNL & 1190' FWL, 35-27N-07W |
| 227E | 800' FSL & 800' FWL, 28-27N-07W |
| 231E | 1145' FNL & 790' FWL, 12-26N-07W |
| 303E | 1850' FNL & 830' FEL, 33-27N-07W |
| 304 | 1850' FNL & 1480' FEL, 11-26N-07W |
| 304M | 1020' FSL & 795' FEL, 11-26N-07W |

RINCON UNIT #304 DK/MV PERCENTAGE REQUEST FOR SURFACE COMMINGLING

| | | | DATE | RATE F | LOWING | CHOKE | | | RECOMMENDED | 1 ENDED |
|-------------|-----|--------|----------|---------|-------------------|----------|------|-------|-------------|----------------|
| WELL NAME | NO. | FORM. | RAN | MCF/D T | MCF/D TBG. PRESS. | SIZE | BOPD | WATER | GAS% OIL% | OIL% |
| RINCON UNIT | 304 | R | 08/08/95 | 738 | 200 PSIG | VARIABLE | 1 | ω | 48% | 27% |
| RINCON UNIT | 304 | N N | 08/11/95 | 812 | 200 PSIG | VARIABLE | 30 | 0 | 52% | 73% |
| | | | | | | | | | | |

RINCON UNIT #304M DK/MV PERCENTAGE REQUEST FOR SURFACE COMMINGLING

| | DATE | RATE FLOWING | | | RECOMMENDE | ENDED |
|-----------------------|------------|-------------------|-------------|-------|------------|-------|
| WELLNAME NO. FORM | A. RAN | MCF/D TBG. PRESS. | SIZE BOPD | WATER | GAS % C | 0IL % |
| RINCON UNIT 304M DK (| 08/14/95 | 343 200 PSIG | VARIABLE 66 | _ | 28% | 41% |
| RINCON UNIT 304M MV | / 08/15/95 | 900 200 PSIG | VARIABLE 95 | 0 | 72% | 59% |