



STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DIVISION
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

DRUG FREE
WORKPLACE
Initiative

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6174

Date: 3/8/95

*Rincon 2nd 134E
12-26-07*

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

RE: Proposed MC _____
Proposed NSL _____
Proposed WFX _____
Proposed NSP _____

Proposed DHC _____
Proposed SWD _____
Proposed PMX _____
Proposed DD _____

Surface Commings

Gentlemen:

I have examined the application received on 3/2/95

for the *Unocal* OPERATOR *Rincon 2nd* LEASE & WELL NO.

several wells and my recommendations are as follows:
UL-S-T-R

Approved

Yours truly,

[Signature]



March 1, 1995

Certified Return Receipt No.: P909423602

New Mexico Oil Conservation Division
Attn.: Mr. William J. LeMay
PO Box 2088
Santa Fe, New Mexico 87504-2088

New Mexico Oil Conservation Division
Attn.: Mr. Frank Chavez
1000 Rio Brazos Road
Aztec, New Mexico 87410

RECEIVED
MAR - 2 1995
OIL CON. DIV.
DIST. 3

Dear Sirs:

Union Oil Company of California d.b.a. UNOCAL requests permission to surface commingle hydrocarbon production from the Blanco Mesa Verde and Basin Dakota formations in the following Rincon Unit wells, Rio Arriba County, New Mexico.

Well	Legal Location
131E	1145' FSL, 1525' FWL, S36, T27N, R7W
134E	800' FSL, 800' FEL, S12, T26N, R7W
149M	1900' FNL, 1365' FWL, S30, T27N, R6W
166E	1980' FNL, 1980' FWL, S32, T27N, R6W
176E	1505' FNL, 1850' FWL, S31, T27N, R6W
178E	1450' FSL, 1450' FEL, S23, T27N, R7W
185E	1550' FSL, 1505' FEL, S22, T27N, R7W
231E	1145' FNL, 790' FWL, S12, T26N, R7W
304	1850' FNL, 1480' FEL, S11, T26N, R7W
304M	1020' FSL, 795' FEL, S11, T26N, R7W
193M	1000' FNL, 1190' FWL, S35, T27N, R7W
227E	800' FSL, 800' FWL, S28, T27N, R7W
303E	1850' FNL, 830' FEL, S33, T27N, R7W
124A	2025' FNL, 1610' FWL, S34, T27N, R7W

These wells will be drilled during the Summer of 1995. It is UNOCAL's intention to complete these wells as dual string Blanco Mesa Verde and Basin Dakota and to surface commingle, in common facilities, commonly owned hydrocarbon production from the Blanco Mesa Verde and Basin Dakota. Allocation factors for gas and oil production from each zone will be determined semiannually by flowing each zone independently through the custody transfer meter or a test separator. The commercial value of this surface commingled production will not be less than the sum of the values of the production from the individual Mesa Verde and Dakota horizons.

This wellbore and facilities arrangement is the future for UNOCAL's continued development and efficient operation of the Rincon Unit. In 1992 - 94 Unocal drilled and completed, with 5-1/2" casing and 2-3/8" tubing, a number of commingled Dakota/Mesa Verde gas wells. At that time drilling and completing Dakota/Mesa Verde wells with 7" casing, dual tubing strings and dual facilities was not economical. Significant improvements in our gathering system compression has made it practical to drill and complete future Dakota/Mesa Verde wells with 7" casing, dual tubing strings and one set of surface facilities. The additional cost of to drill and set 7" casing, and run an additional string of tubing and a packer will be offset by reduced surface facilities costs (surface commingle) and the ability to take full advantage of lower gathering system pressures.

It has been our experience that Dakota wells require at least 180 psig backpressure in order to prevent liquid loadup. The Mesa Verde wells will produce without loadup problems against gathering system pressures as low as 60 psig. Surface commingled facilities will allow the requisite backpressure to be held on the Dakota while the Mesa Verde produces at the lower gathering system pressure.

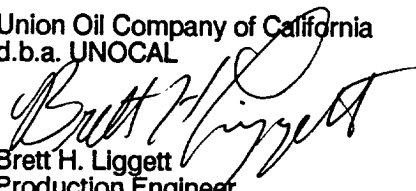
As required for NMOCD Rule 303, the following information is attached:

1. Gas analysis from recently drilled Rincon Unit DK/MV wells
2. Wellbore and surface facilities schematic.
3. Copies of notification letters sent to all offset operators (if any) and BLM.
4. Acreage dedication plat showing offset lease ownership.

If you have any questions, please contact me at (505) 632-1811 ext.14. Thank you for your consideration in this matter.

Sincerely,

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

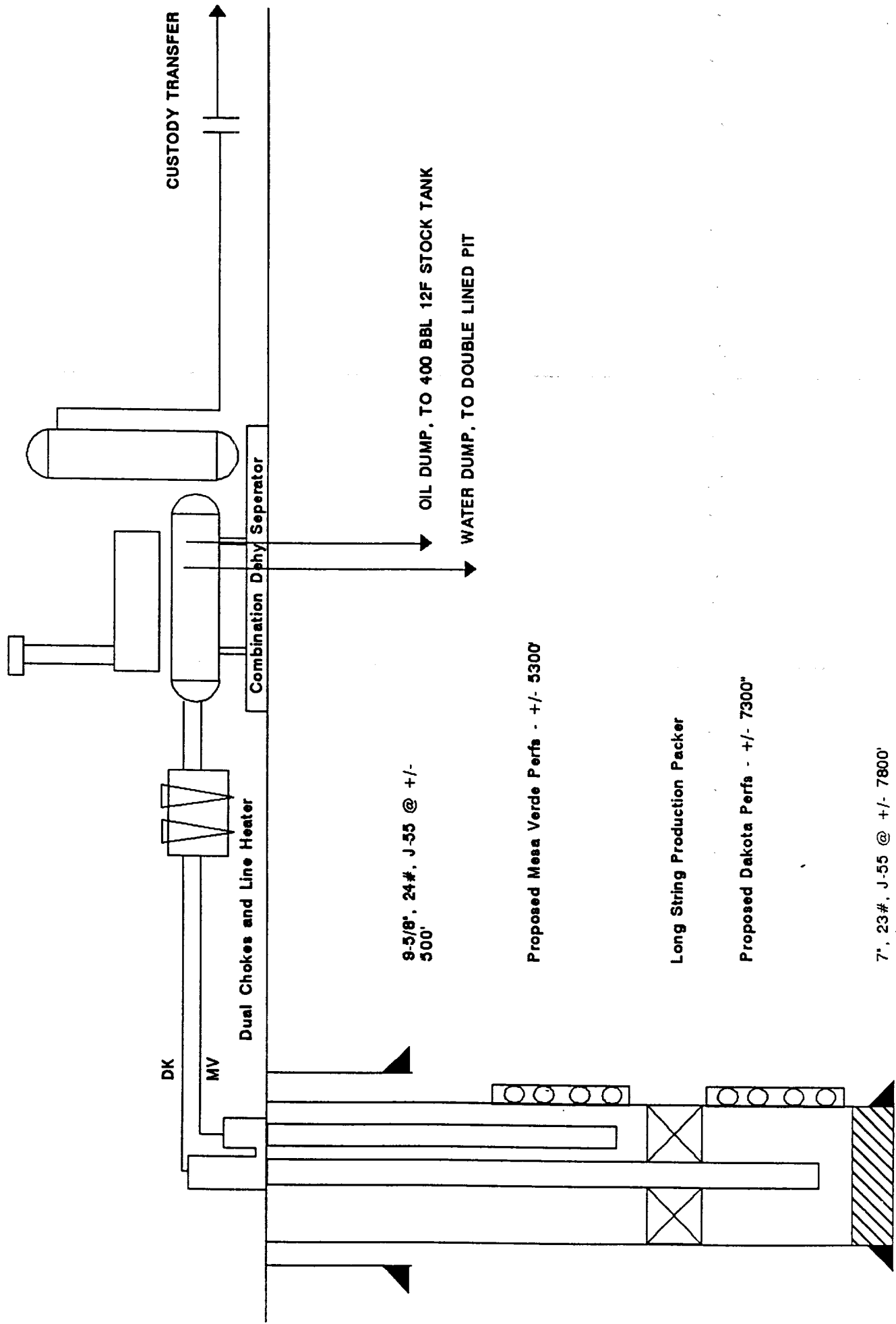


Brett H. Liggett
Production Engineer

GAS ANALYSIS

WELL NAME	TEST DATE	NITROGEN	CO2	METHANE	ETHANE	PROPANE	I-BUTANE	N-BUTANE	I-PENTANE	N-PENTANE	HEXANE+	BTUS	GPM	SPEC GRAV
RINCON #1E	DK 11/23/94	0.310	1.150	86.570	6.980	2.760	0.500	0.730	0.270	0.20	0.530	1159.0	3.424	0.670
RINCON #1E	MV 11/23/94	0.310	1.150	86.570	6.980	2.760	0.500	0.730	0.270	0.20	0.530	1159.0	3.424	0.670
RINCON #1E	DK 06/10/94	0.260	1.160	85.010	7.670	3.250	0.630	0.850	0.350	0.23	0.580	1184.0	3.880	0.685
RINCON #1E	MV 06/10/94	0.260	1.160	85.010	7.670	3.250	0.630	0.850	0.350	0.23	0.580	1184.0	3.880	0.685
RINCON #125M	DK 11/17/94	0.210	1.320	87.850	6.430	2.000	0.510	0.520	0.280	0.16	0.620	1141.0	3.034	0.660
RINCON #125M	MV 11/17/94	0.210	1.320	87.850	6.430	2.000	0.510	0.520	0.280	0.16	0.620	1141.0	3.034	0.660
RINCON #128	DK 12/07/93	0.290	1.050	87.540	6.460	2.770	0.540	0.680	0.270	0.17	0.230	1140.4	3.139	0.658
RINCON #128M	MV 12/07/93	0.290	1.050	87.540	6.460	2.770	0.540	0.680	0.270	0.17	0.230	1140.4	3.139	0.658
RINCON #127	DK 09/15/93	0.280	1.160	84.870	8.010	2.840	0.680	0.800	0.430	0.25	0.560	1182.1	3.927	0.685
RINCON #127	MV 05/13/92	0.390	1.020	81.780	10.520	4.220	0.600	0.840	0.280	0.19	0.160	1199.0	4.679	0.694
RINCON #127M	DK 11/17/94	0.300	1.240	84.850	8.010	3.050	0.600	0.800	0.340	0.23	0.580	1180.0	3.882	0.684
RINCON #127M	MV 11/17/94	0.300	1.240	84.850	8.010	3.050	0.600	0.800	0.340	0.23	0.580	1180.0	3.882	0.684
RINCON #128	DK 11/16/94	0.230	1.280	84.060	8.430	3.260	0.640	0.880	0.370	0.25	0.600	1192.0	4.128	0.692
RINCON #128	MV 11/16/94	0.450	0.780	79.710	10.320	5.030	0.880	1.390	0.470	0.35	0.620	1260.0	5.443	0.730
RINCON #128	DK 04/15/94	0.260	1.000	86.830	7.120	2.350	0.520	0.650	0.290	0.19	0.480	1151.0	3.317	0.666
RINCON #128	MV 03/29/94	0.550	0.590	79.100	11.220	5.500	0.640	1.080	0.430	0.35	0.560	1259.0	5.588	0.727
RINCON #129	DK 10/23/94	0.270	1.190	81.230	9.850	4.130	0.780	1.120	0.460	0.31	0.660	1232.0	4.949	0.717
RINCON #129M	MV 10/23/94	0.270	1.190	81.230	9.850	4.130	0.780	1.120	0.460	0.31	0.660	1232.0	4.949	0.717
RINCON #130	DK 04/15/94	0.200	1.180	81.380	10.020	4.020	0.740	1.190	0.470	0.33	0.470	1226.0	4.902	0.712
RINCON #130	MV 04/15/94	0.580	0.730	78.580	10.230	5.830	1.020	1.470	0.480	0.34	0.740	1281.0	5.783	0.744
RINCON #135	DK 04/13/94	0.430	1.240	84.220	8.530	2.970	0.630	0.780	0.340	0.22	0.640	1184.0	4.036	0.686
RINCON #135	MV 04/13/94	0.330	1.210	84.030	8.690	3.110	0.640	0.820	0.360	0.22	0.600	1188.0	4.120	0.690
RINCON #135	DK 06/15/93	0.220	1.080	83.600	9.320	3.440	0.560	0.890	0.330	0.22	0.340	1189.0	4.254	0.687
RINCON #138E	MV 12/12/92	0.219	1.072	84.804	8.487	3.185	0.484	0.824	0.307	0.24	0.378	1177.1	3.930	0.678
RINCON #137	DK 11/11/94	0.210	1.120	84.930	8.400	3.100	0.520	0.850	0.260	0.18	0.410	1175.0	3.886	0.676
RINCON #137	MV 11/11/94	0.440	0.600	77.270	12.180	5.690	0.940	1.600	0.460	0.32	0.480	1266.0	6.138	0.744
RINCON #149	DK 11/18/94	0.380	1.200	86.310	6.080	1.900	0.550	0.690	0.250	0.19	0.450	1134.0	2.905	0.655
RINCON #149	MV 11/30/94	0.380	1.180	84.630	7.900	3.110	0.610	0.950	0.370	0.26	0.580	1186.0	3.964	0.688
RINCON #161M	DK 10/07/94	0.230	1.010	82.500	9.610	3.930	0.660	1.020	0.370	0.26	0.410	1210.0	4.600	0.699
RINCON #161M	MV 12/08/93	0.280	1.040	86.780	7.010	2.800	0.550	0.710	0.300	0.19	0.330	1152.0	3.371	0.663
RINCON #158M	DK 12/08/93	0.290	1.040	86.780	7.010	2.800	0.550	0.710	0.300	0.19	0.330	1152.0	3.371	0.663
RINCON #158M	MV 11/10/94	0.240	1.090	83.010	9.160	3.690	0.710	0.930	0.360	0.24	0.550	1207.0	4.458	0.698
RINCON #159M	DK 11/10/94	0.240	1.090	83.010	9.160	3.690	0.710	0.930	0.360	0.24	0.550	1207.0	4.458	0.698
RINCON #159M	MV 11/10/94	0.230	1.010	86.060	7.620	2.890	0.540	0.770	0.280	0.19	0.410	1185.0	3.605	0.671
RINCON #167M	DK 10/14/94	0.230	1.010	86.060	7.620	2.890	0.540	0.770	0.280	0.19	0.410	1185.0	3.605	0.671
RINCON #167M	MV 10/14/94	0.330	1.120	83.640	8.800	3.640	0.670	0.890	0.340	0.21	0.380	1190.0	4.214	0.689
RINCON #170M	DK 10/31/94	0.330	1.120	83.640	8.800	3.640	0.670	0.890	0.340	0.21	0.380	1190.0	4.214	0.689
RINCON #170M	MV 10/31/94	0.360	1.140	82.250	9.290	3.880	0.710	1.040	0.410	0.28	0.640	1217.0	4.644	0.707
RINCON #175M	DK 11/26/94	0.360	1.140	82.250	9.290	3.880	0.710	1.040	0.410	0.28	0.640	1217.0	4.644	0.707
RINCON #175M	MV 09/26/94	0.270	1.170	85.810	7.490	2.830	0.600	0.740	0.310	0.19	0.590	1171.0	3.652	0.677
RINCON #180M	DK 09/26/94	0.270	1.170	85.810	7.490	2.830	0.600	0.740	0.310	0.19	0.590	1171.0	3.652	0.677
RINCON #180M	MV 12/30/93	0.250	1.010	81.930	9.580	4.090	0.680	1.060	0.400	0.29	0.710	1228.0	4.807	0.711
RINCON #184M	DK 12/30/93	0.250	1.010	81.930	9.580	4.090	0.680	1.060	0.400	0.29	0.710	1228.0	4.807	0.711

RINCON UNIT, WBD & SURFACE COMMINGLE FACILITIES



UNOCAL, RINCON UNIT, T27N R7W

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24 OPERATOR: MERIDIAN OIL CO.
30	29	28 OPERATOR: AMOCO	27	26	25
31	32	33 227E OPERATOR: AMOCO	34 124A OPERATOR: AMOCO	35 193M OPERATOR: AMOCO	36 131E OPERATOR: AMOCO

UNIT BOUNDARY

UNOCAL, RINCON UNIT, T26N R7W

6	5	4	3	2	1
	OPERATOR: LOUIS OXYGEN CORP	OPERATOR: CENTRAL RESOURCES INC. UNIVERSAL RESOURCES INC.	OPERATOR: CENTRAL RESOURCES INC. UNIVERSAL RESOURCES INC.		
7	8	9	10	11	12
			OPERATOR: CENTRAL RESOURCES INC. UNIVERSAL RESOURCES INC.	 30M  231E  134E	
18	17	16	15	14	13
			OPERATOR: LOUIS OXYGEN CORP BRYDER OIL CORP	OPERATOR: CALUMET OIL CO.	
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

UNIT BOUNDARY

UNOCAL, RINCON UNIT, T27N R6W

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36



OPERATOR:
CAULKINS OIL CO.

UNIT BOUNDARY

UNOCAL, RINCON UNIT, T26N R6W

6	5	4	3	2	1
	OPERATOR: CAULKING OIL CO.	OPERATOR: CAULKING OIL CO.			
7	8	9	10	11	12
OPERATOR: CAULKING OIL CO.					
18	17	16	15	14	13
OPERATOR: CAULKING OIL CO.					
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

UNIT BOUNDARY

UNOCAL 76

March 1, 1995

United State Department of the Interior
Bureau of Land Management
1235 La Plata Highway
Farmington, New Mexico 87401

Greetings:

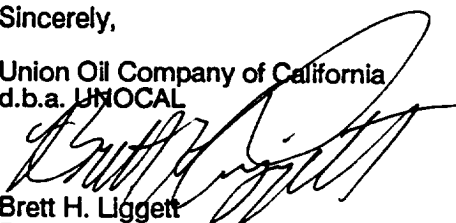
Union Oil Company of California (UNOCAL) has requested, from the State of New Mexico, Oil Conservation Division, permission to surface commingle production from the Blanco Mesa Verde and Basin Dakota formations in the following Rincon Unit wells, Rio Arriba County, New Mexico.

Well	Legal Location
131E	1145' FSL, 1525' FWL, S36, T27N, R7W
134E	800' FSL, 800' FEL, S12, T26N, R7W
149M	1900' FNL, 1365' FWL, S30, T27N, R6W
166E	1980' FNL, 1980' FWL, S32, T27N, R6W
176E	1505' FNL, 1850' FWL, S31, T27N, R6W
178E	1450' FSL, 1450' FEL, S23, T27N, R7W
185E	1550' FSL, 1505' FEL, S22, T27N, R7W
231E	1145' FNL, 790' FWL, S12, T26N, R7W
304	1850' FNL, 1480' FEL, S11, T26N, R7W
304M	1020' FSL, 795' FEL, S11, T26N, R7W
193M	1000' FNL, 1190' FWL, S35, T27N, R7W
227E	800' FSL, 800' FWL, S28, T27N, R7W
303E	1850' FNL, 830' FEL, S33, T27N, R7W
124A	2025' FNL, 1610' FWL, S34, T27N, R7W

If you have any objections to this proposal, please notify NMOCD within twenty days. If you have any questions regarding this application, please contact me at (505) 632-1811 ext. 14.

Sincerely,

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


Brett H. Liggett
Production Engineer

UNOCAL 76

March 1, 1995

Caulkins Oil Co.
1997 E. Blanco Blvd.
Bloomfield, New Mexico 87413

Greetings:

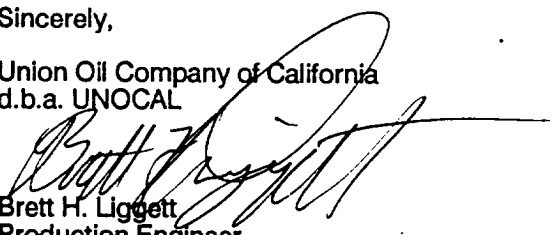
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304M	1020' FSL, 795' FEL, S11, T26N, R7W
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134E	800' FSL, 800' FEL, S12, T26N, R7W
166E	1980' FNL, 1980' FWL, S32, T27N, R6W
176E	1505' FNL, 1850' FWL, S31, T27N, R6W

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Sincerely,

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


Brett H. Liggett
Production Engineer

UNOCAL 76

March 1, 1995

Snyder Oil Co.
PO BOX 2038
Farmington, New Mexico 87499

Greetings:

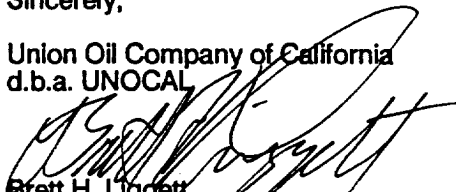
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Union Oil Company of California
d.b.a. UNOCAL


Brett H. Liggett
Production Engineer

UNOCAL 76

March 1, 1995

Louis Dryefus Natural Gas Co.
PO BOX 2993
Farmington, New Mexico 87499

Greetings:

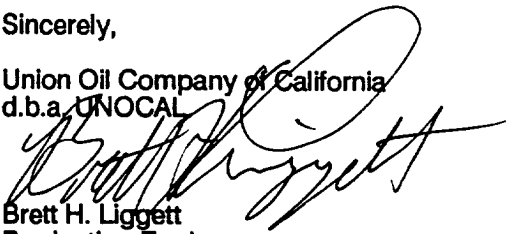
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Sincerely,

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


Brett H. Liggett
Production Engineer

UNOCAL 76

March 1, 1995

Meridian Oil Co.
3535 E. 30th St.
Farmington, New Mexico 87402

Greetings:

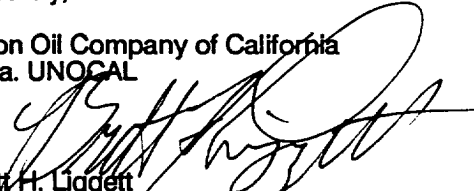
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Well	Legal Location
178E	1450' FSL, 1450' FEL, S23, T27N, R7W
227E	800' FSL, 800' FWL, S28, T27N, R7W
303E	1850' FNL, 830' FEL, S33, T27N, R7W

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Sincerely,

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


Brett H. Liggett
Production Engineer

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

UNOCAL 76

March 1, 1995

Amoco Production Co.
200 Amoco Ct.
Farmington, New Mexico 87401

Greetings:

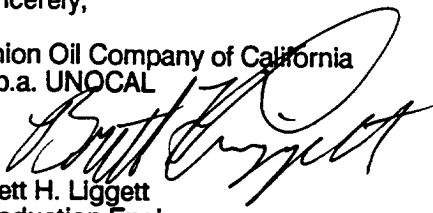
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185E	1550' FSL, 1505 FEL, S22, T27N, R7W
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227E	800' FSL, 800' FWL, S28, T27N, R7W

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


Brett H. Liggett
Production Engineer

UNOCAL 76

March 1, 1995

Central Resources Inc.
1776 Lincoln Street #1010
Denver, CO 80203

Greetings:

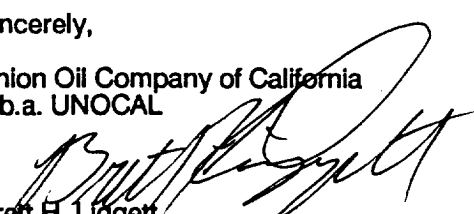
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Brett H. Liggett
Production Engineer

UNOCAL 76

March 1, 1995

Universal Resources Inc.
1331 Central Street #300
Denver, CO 80202

Greetings:

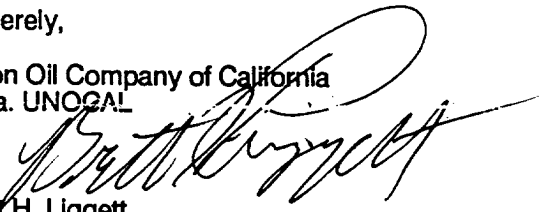
Union Oil Company of California (UNOCAL) has requested, from the State of New Mexico, Oil Conservation Division, permission to surface commingle production from the Blanco Mesa Verde and Basin Dakota formations in the following Rincon Unit wells, Rio Arriba County, New Mexico.

Well	Legal Location
304	1850' FNL, 1480' FEL, S11, T26N, R7W
304M	1020' FSL, 795' FEL, S11, T26N, R7W
303E	1850' FNL, 830' FEL, S33, T27N, R7W
124A	2025' FNL, 1610' FWL, S34, T27N, R7W
193M	1000' FNL, 1190' FWL, S35, T27N, R7W

If you have any objections to this proposal, please notify NMOCD within twenty days. If you have any questions regarding this application, please contact me at (505) 632-1811 ext. 14.

Sincerely,

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


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