



GARREY CARRUTHERS
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

Date: 4/20/90

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

Re: Proposed MC _____
Proposed DHC _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____ *DD*

Gentlemen:

I have examined the application dated April 20, 1990
for the Uluval River Unit #254
Operator Lease & Well No.

H-20-271-60 and my recommendations are as follows:
Unit, S-T-R

Approve

Yours truly,

[Signature]

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



April 20, 1990

Paul T. West
District Production Manager
Farmington District

OIL CON. DIV.
DIST. 3

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

RE: Application of Union Oil Company of California for a Highly
Deviated Directional Drilling Project, Rincon Unit, Rio Arriba
County, New Mexico

Dear Mr. LeMay:

Union Oil Company of California hereby makes application for administrative approval for a highly deviated directional drilling pilot project in the N/2 of Section 20, Township 27 North, Range 6 West, Rio Arriba County, New Mexico, forming a standard 320-acre coal gas spacing and proration unit in the Basin-Fruitland Coal Gas Pool for its Rincon Unit No. 254 Well. This highly deviated directional drilling pilot project qualifies for administrative approval pursuant to the provisions of Rule 9 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as follows:

1. The surface location of the proposed well is at a standard location 1,419 feet from the North line and 794 feet from the East of Section 20. The bore hole will not enter or exit the coalbed seams outside of a drilling window which is in accordance with the setback requirements of Rule 7 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool, for it will be no closer than 790 feet to the outer boundary of the unit nor closer than 130 feet to any quarter section line as shown on the copy of OCD Form C-102 which is attached to this application.

2. This well is located within the Rincon Unit and there are no operators or owners of undrilled tracts to whom copies of this application are to be furnished pursuant to Rule 9(B). A map of the Rincon Unit is attached to this application showing the location of the proposed well relative to unit boundaries.

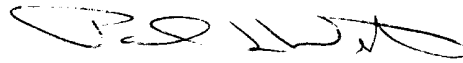
3. A schematic drawing and footage tabulation of the proposed well is attached to this application which describes the casing, tubing, perforated interval, kick-off point, and proposed trajectory of the drain hole section.

William J. LeMay, Director
Oil Conservation Division
April 20, 1990
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4. Union Oil Company of California during, or upon operation of drilling operations, will conduct a directional survey on the vertical and lateral portions of the wellbore and submit a copy of this survey to the Santa Fe and Aztec Offices of the Division.

Since there is no offsetting operator or offsetting owner of an undrilled tract, there are no parties from whom waivers of objection are required pursuant to Rule 9. Union Oil Company of California, therefore, requests that the Director approve this application for a highly deviated directional drilling pilot project.

Respectfully submitted,



Union Oil Company of California
dba Unocal

Paul T. West
District Production Manager

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

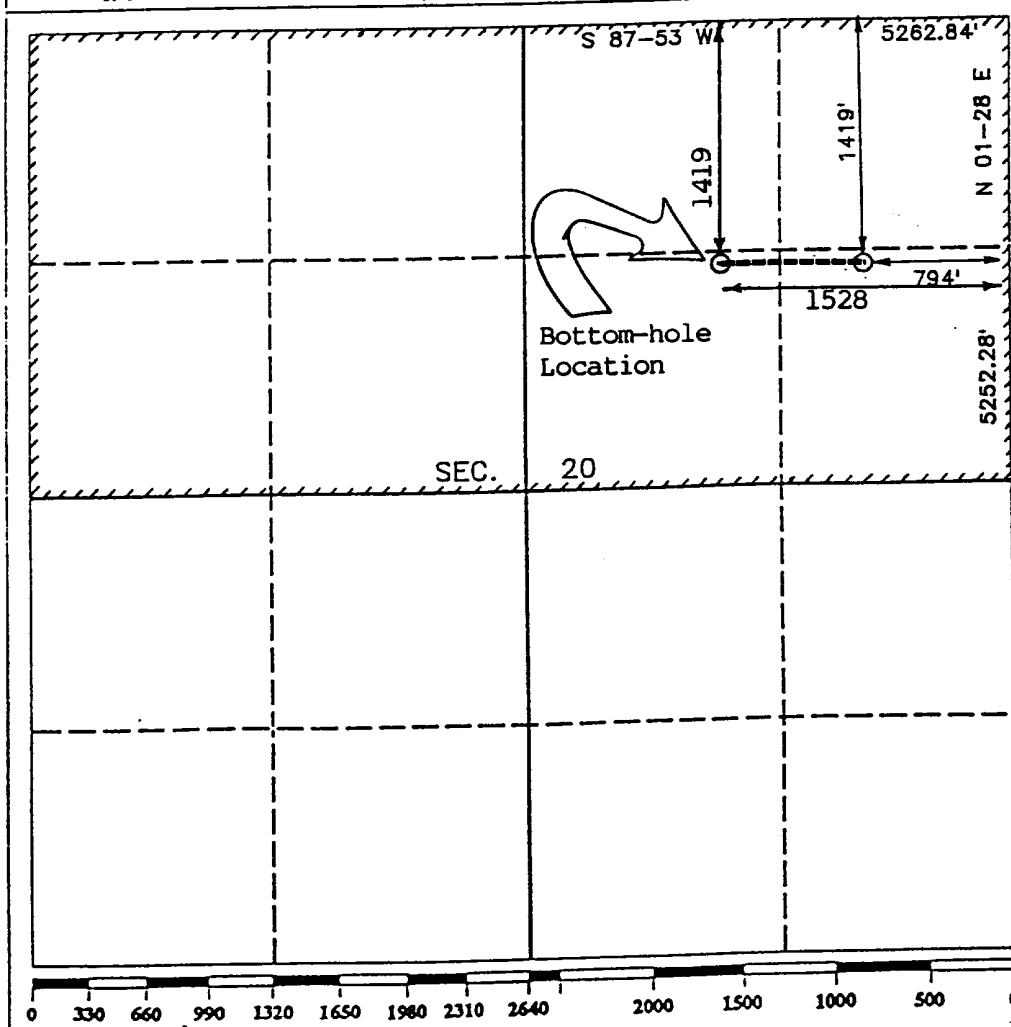
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator UNION OIL CO. OF CALIFORNIA		Lease RINCON UNIT		Well No. 254
Unit Letter H	Section 20	Township T.27 N.	Range R.6 W.	County RIO ARriba COUNTY
Actual Footage Location of Well: 1419 feet from the NORTH line and 794 feet from the EAST line				
Ground level Elev. 6579	Producing Formation FRUITLAND COAL	Pool BASIN FRUITLAND COAL	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 _____
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

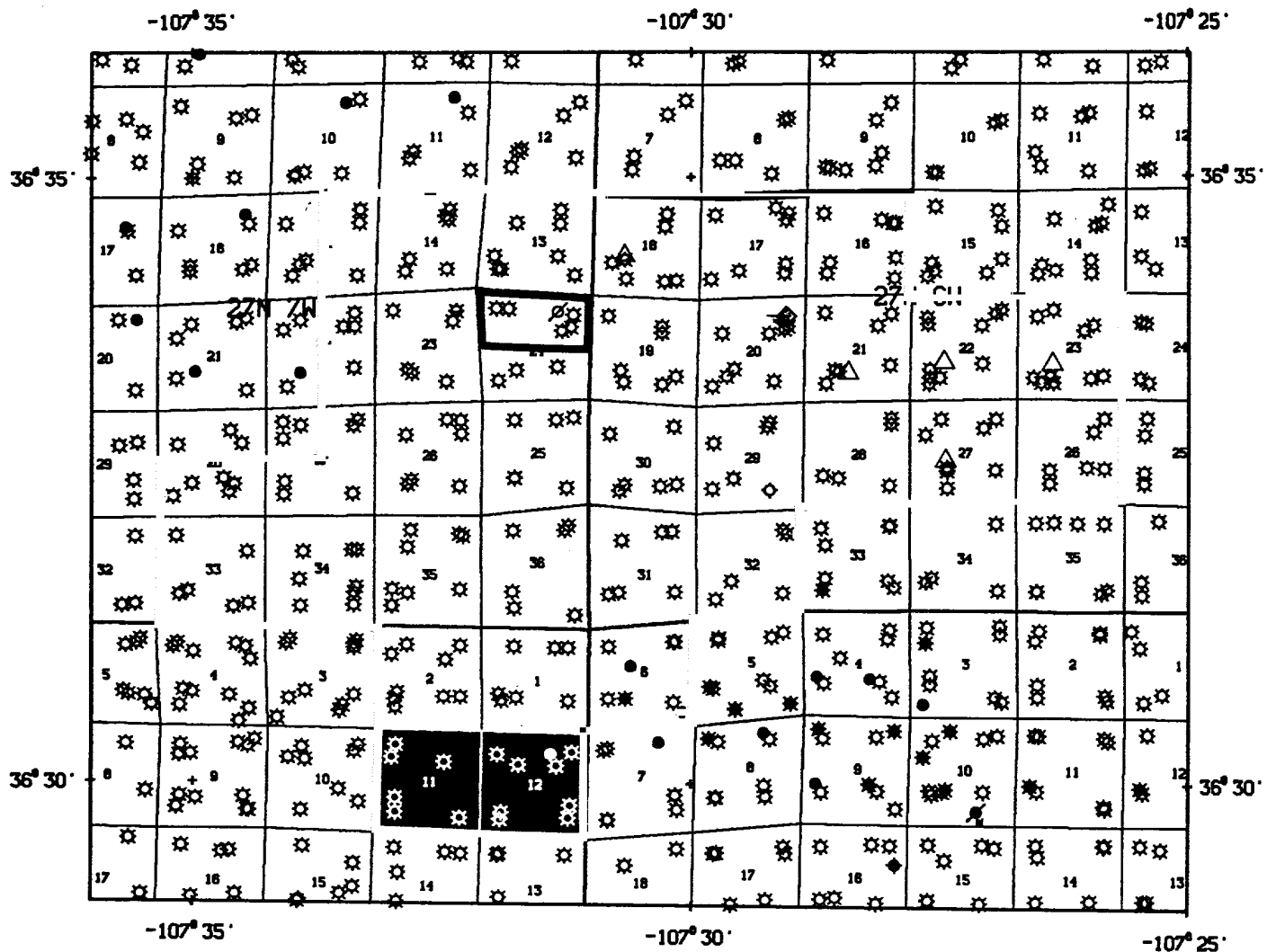
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
William Hering
Printed Name
William Hering
Position
District Petroleum Eng.
Company
Union Oil Co. of Calif.
Date
April 9, 1990

SURVEYOR CERTIFICATION

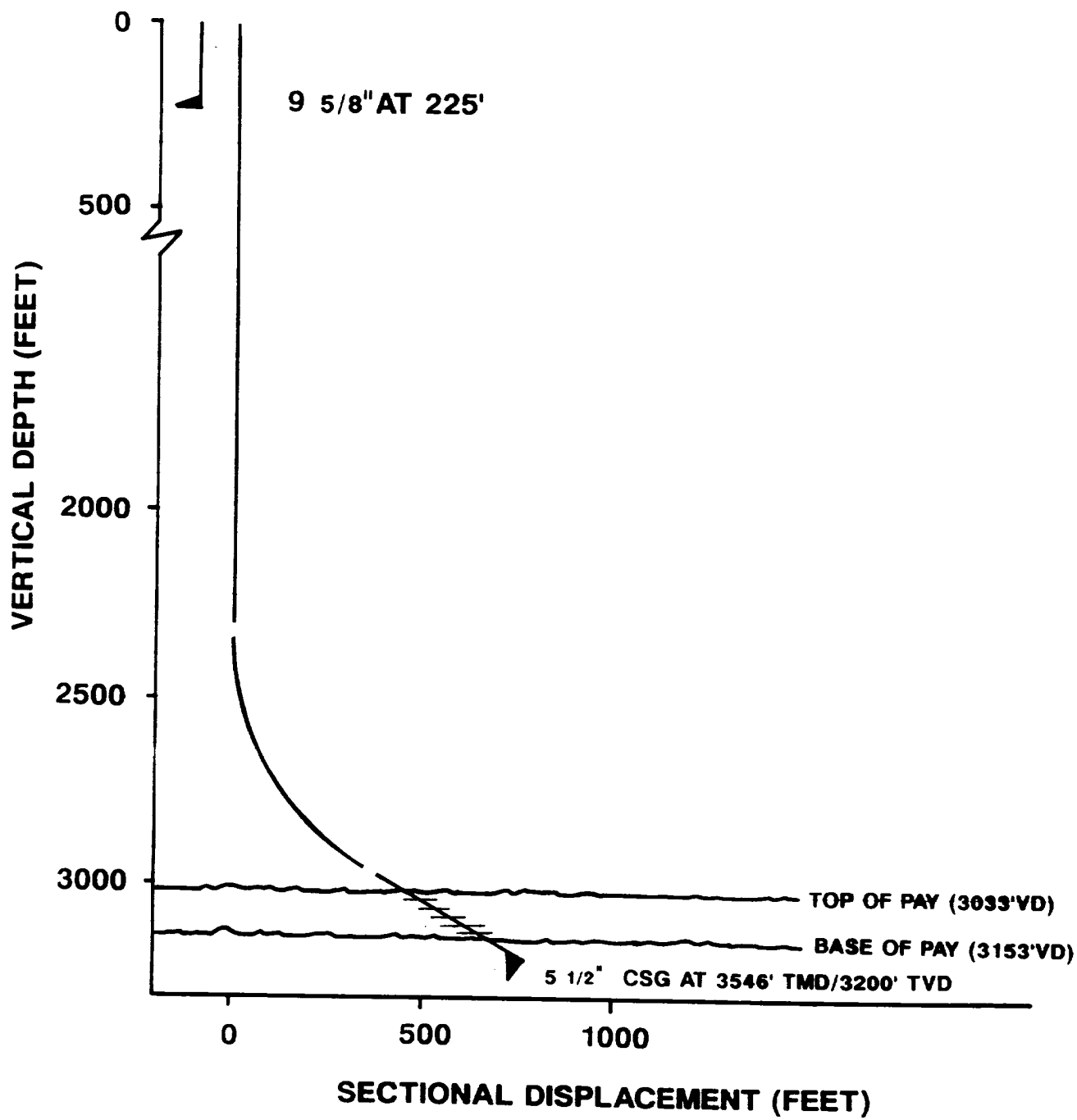
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
APR 8, 1990
Signature & Seal of Professional Surveyor
R. EDWARD DAGGE
R. Edward Dagge
Certificate No.
8679
Registered Professional Land Surveyor



<div>— UNIT OUTLINE</div> <div>△ ACTIVE COAL WELLS</div> <div>◇ PROPOSED DEVIATED WELL</div>	Union Oil Company of California			
	OIL AND GAS DIVISION			
	SOUTHWESTERN REGION			
	RINCON BASE			
INTERPRETED BY	DATE	SCALE	DATUM	
	APR 18, 1990	1" = 6,000 FEET	SUBSEA	
DRAFTED BY	CONTOUR INTERVAL	LAT	LONG	
		36.4633	-107.6	

RINCON UNIT WELL NO. 254
SECTION VIEW OF 60 DEGREE WELLBORE



Rincon Well No. 254 - Directional Plan for 60 deg well

Surface Loc: 1,419 ' FNL & 794 ' FEL, Sec 20, T27N-R6W

Vertical Depths-

Top of Pay: 3,033.0
Base of Pay: 3,153.0
Bottom Hole: 3,200.0

Build Rate: 8.0 degrees/100' Directed:Due WEST
Kick Off Pt.: 2,362.0 Section: 270.0 deg

				y-axis		x-axis
Point	Comment	M. Depth	Angle	V. Depth	Section	
0	Surface	0.0	0.0	0.0	0.0	
1	KOP	2,362.0	0.0	2,362.0	0.0	
2		2,462.0	8.0	2,461.8	7.0	
3		2,562.0	16.0	2,559.6	27.8	
4		2,662.0	24.0	2,653.5	62.0	
5		2,762.0	32.0	2,741.8	108.9	
6		2,862.0	40.0	2,822.8	167.7	
7		2,962.0	48.0	2,894.7	237.1	
8		3,062.0	56.0	2,956.3	315.9	
9		3,112.0	60.0	2,982.8	358.3	
10	Top Pay	3,212.4	60.0	3,033.0	445.3	
11	Base Pay	3,452.3	60.0	3,153.0	653.0	
12	BH Loc	3,546.3	60.0	3,200.0	734.4	

Top Pay: 1,419 ' FNL & 1,239 ' FEL, Sec 20, T27N-R6W
Base Pay: 1,419 ' FNL & 1,447 ' FEL, Sec 20, T27N-R6W
BHL: 1,419 ' FNL & 1,528 ' FEL, Sec 20, T27N-R6W